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DEPARTMENT OF THE NAVY JUSTIFICATION OF ESTIMATES
AMENDED FISCAL YEAR 1981 (U) OFFICE OF THE COMPTROLLER
(NAVY) WASHINGTON DC FEB 88

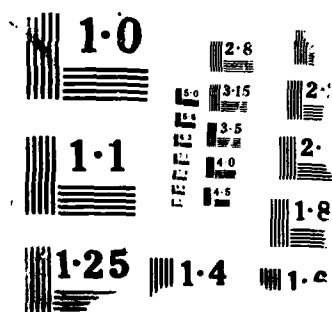
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**DEPARTMENT OF THE NAVY
JUSTIFICATION OF ESTIMATES
AMENDED FY 1988/1989 BIENNIAL BUDGET**



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**OPERATION & MAINTENANCE
NAVY RESERVE**

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DEPARTMENT OF THE NAVY
OPERATION AND MAINTENANCE, NAVY RESERVE
AMENDED FY 1988/1989 BIENNIAL BUDGET

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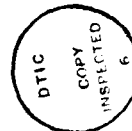
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DEPARTMENT OF THE NAVY
OPERATION AND MAINTENANCE, NAVY RESERVE

INTRODUCTORY STATEMENT

This appropriation, established by the Congress in 1973, provides for the cost of operating the Naval Reserve forces and maintaining their assigned equipment at a state of readiness which will permit rapid employment in the event of full or partial mobilization. These forces, consisting primarily of ships and aircraft and the personnel to man them, are a vital part of the Navy's total force. The cost of operating and maintaining aircraft in the Fourth Marine Air Wing is also contained in this appropriation.)

The Operation and Maintenance, Navy Reserve appropriation consists of three budget activities: 1 - Mission Forces; 2 - Depot Maintenance; and 3 - Other Support. Mission Forces funding provides for the operation and maintenance of Reserve force ships and aircraft. Depot Maintenance funding provides support for the Reserve aircraft rework program and the Contractor Support Services (CSS) program. All depot maintenance in support of afloat forces is included within Mission Forces. Other Support encompasses the funding support for various command and administrative activities. In addition, funding to operate and maintain the air stations, Reserve centers and Reserve facilities supporting the Naval Reserve forces is included.

The FY 1989 planned average operating aircraft are 642.5. The planned FY 1989 end year Naval Reserve Force ship inventory is 48. This number includes one Destroyer, twenty-four Frigates, fifteen Minesweepers, three Mine Countermeasures ships, two Amphibious ships, and three Salvage ships.

The FY 1989 flying hour program supports 86.75% of full primary mission readiness requirements for the Naval Reserve.

All available audit savings have been incorporated into the following budget estimates.

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SUMMARY OF REQUIREMENTS BY BUDGET ACTIVITY
OPERATION AND MAINTENANCE, NAVY RESERVE

	FY 1987 \$ in Thous.	FY 1988 \$ in Thous.	FY 1989 \$ in Thous.
<u>Budget Activity 1 - Mission Forces</u>			
Reserve Air Forces	318,093	306,912	299,437
Reserve Surface Support Forces	11,310	13,356	12,362
Reserve Ship Operations	62,469	66,614	73,107
Reserve Ship Maintenance and Modernization	129,523	146,484	169,046
Overhaul/Modernization of Reserve Ship Equipment	13,252	14,372	16,624
Reserve Force Engineering Services Support	5,515	6,773	7,558
Reserve Special Combat Support Forces *	9,414	9,743	10,378
Reserve Fleet Operations Support	1,992	1,554	1,515
Subtotal	551,568	565,808	610,027
<u>Budget Activity 2 - Depot Maintenance</u>			
Reserve Aircraft Revorx	155,870	109,988	104,552
Reserve Technical Support	9,217	9,328	12,227
Industrial Fund/Stock Fund Support	-66,500	0	0
Subtotal	98,587	119,316	116,779
<u>Budget Activity 3 - Other Support</u>			
Base Operations	167,499	173,065	175,053
Maintenance of Real Property	41,229	50,328	54,325
Management: Headquarters	6,471	6,296	6,124
Recruiting Activities	11,801	11,450	12,487
Advertising Activities	3,518	3,633	4,405
Subtotal	230,518	244,772	252,394
<u>Total Operation and Maintenance, Navy Reserve (Direct)</u>	880,673	929,896	979,200

* Includes Special Operations Forces in FY 1988 \$5,062 and in FY 1989 \$4,943.

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PERSONNEL SUMMARY
Operation and Maintenance, Navy Reserve

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
<u>Military End Strength</u>			
Officer	835	538	532
Enlisted	6,016	6,508	6,093
Total	<u>6,851</u>	<u>7,046</u>	<u>6,625</u>
 <u>FTS End Strength</u>			
Officer	1,488	2,134	2,133
Enlisted	15,779	17,475	17,444
Total	<u>17,267</u>	<u>19,609</u>	<u>19,577</u>
 <u>Drilling Reserve End Strength</u>			
Officer	24,342	26,816	26,796
Enlisted	102,745	103,793	103,813
Total	<u>127,087</u>	<u>130,609</u>	<u>130,609</u>
 <u>Civilian End Strength</u>			
USDH	2,983	3,068	2,978
Total	<u>2,983</u>	<u>3,068</u>	<u>2,968</u>

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 - Mission Forces

I. Description of Operations Financed.

This budget activity provides funds for the operation and maintenance of Naval Reserve Force ships, the operation of Navy and Marine Corps Reserve Force aircraft, and the operation of other Reserve units including Mobile Inshore Undersea Warfare Forces, Reserve Naval Construction Forces, and Cargo Handling Battalions. Funding is provided for such things as aircraft flying hours, underway steaming hours, regular ship overhauls, and ship maintenance and modernization.

II. Financial Summary (Dollars in Thousands)

A. Activity Breakout	FY 1987	FY 1988		FY 1989		
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
						Change FY 88/89
Reserve Air Forces	318,093	305,052	301,766	306,912	331,289	299,437
Reserve Surf Spt Forces	11,310	14,106	13,755	13,356	13,225	12,362
Reserve Ship Operations	62,469	68,122	68,080	66,614	76,667	73,107
Reserve Ship Maint & Mod	129,523	157,293	150,532	146,484	188,671	189,046
Ovhl and Modernization						
of Reserve Ship Equip	13,252	15,191	15,189	14,372	17,426	16,624
Reserve Force Eng Svc Spt	5,515	5,784	5,784	6,773	6,425	7,558
Reserve Spec Combat						
Support Forces	9,414	9,867	9,526	9,743	10,467	10,378
Reserve Fleet Ops Spt	1,992	1,687	1,280	1,554	1,701	1,515
Total Budget Activity	551,568	577,102	565,912	565,808	645,871	610,027
						+44,219

B. Reconciliation of Increases and Decreases

1. FY 1988 President's Budget Request

2. Congressional Adjustments

FY 1988 FY 1989

577,102

-11,190

OSMNR

Budget Activity: 1 - Mission Forces (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1989

FY 1988

A. Inflation Reestimate (-2,460)

B. Travel (-1,649)

C. Ship Maintenance/Modernization (-3,926)

D. Expense/Investment (-633)

E. Operations Support (-2,522)

3. FY 1988 Appropriation 565,912

4. Pricing Adjustments +3,622

A. Stock Fund (+3,498)

1) Fuel +3,368

2) Non-Fuel +130

B. Other Pricing Adjustments (+124)

1) Health Benefits +8

2) Other +116

5. Other Increases +23,535

A. Programmatic Increases (+23,535)

1) Marine A-4 Flight Hours +2,000

Increase in flight hours (2,000) for

Marine A-4 aircraft.

2) Fund Program To Requirement +3,146

FY 1988 President's Budget requirements

understated because of unexpected high

Aviation Depot Level Repairables (AVDLRs)

pricing. Most recent costs allow

repurchase of foregone hours.

O&MNR

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Budget Activity: 1 - Mission Forces (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988 FY 1989

2) Extended Docking Selected Restricted Availability (EDSRA) FFG-12 and FFG-13's SRA extended to 10 months, vice 3, to accommodate installation of AN/SQQ-89 ASV Suites.	+9,166
3) Restricted Availability/Technical Availability (RATA) Increased funding for refurbishment of MSO engines and YR 84 (repair barge for use by Naval Reserve for Intermediate Level Maintenance (ILM)).	+4,905
4) COOP Funds required for additional equipment and supplies for COOP craft.	+47
5) IMA Upgrade Increase supports additional manhours and minor expense equipment purchases at SIMA Staten Island and Long Beach.	+428
6) Fleet Modernization Program (FMP) a) Upgrades to navigation and weapon systems for MSO's deploying to the Persian Gulf (+1,146). b) Increase in Design Support Services to fund increased number of maintenance availabilities in FY 1989 (+1,225).	+2,371
7) Missile Weapons Systems Eqpt Maintenance Additional support for one Combined Antenna Systems/System Tracking and Illuminating Radars (CAS/STIR) rework and logistics support.	+200

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Budget Activity: 1 - Mission Forces (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988

FY 1989

8) Fleet Operations +274

Increases required to provide travel, training, inspections, supplies and equipment requirements to support PFG-7/MSO ships.

9) MCM Maintenance Support +998

Provides increased maintenance support for minesweeping, mine navigation, and mine neutralization systems.

6. Other Decreases -27,261

A. Programmatic Decreases (-27,261)

1) Ship Utilities -1,100

Reduction to ship utilities based on actual FY 1987 experience.

2) PFG-25 Transfer -1,120

Delay in transfer of USS COPELAND to Naval Reserve.

3) Persian Gulf Operations -3,368

Decrease in MSO and PFG-7 class OPTempo due to NRF units deployed in support of active forces in the Persian Gulf. Funds realigned to offset increased FY 1988 fuel prices.

4) ROH -5,576

MSO 438 and MSO 442 Regular Overhaul (ROH) deferred to FY 1989 due to deployment to the Persian Gulf. Funding realigned to RATA to fund refurbishment of MSO engines and YR 84.

Budget Activity: 1 - Mission Forces (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988

FY 1989

5) Intermediate Maintenance Activity (IMA) -5,700
Workload reduction in conjunction with decrease in scheduled maintenance availabilities due, in part, to Persian Gulf Deployments; and realignment to fund increased RATA costs caused by FFG-12 and FFG-13 EDSRA's.

6) Outfitting -750
Decrease in Major Equipment Outfitting requirements, and COSAL Updates.

7) Engineered Operating Cycle (EOC) -100
Reduction in engineering support.

8) Sonar Overhaul -1,005
Decreased support for 5 fever minehunting systems; 3 fever mine neutralization systems; 7 fever mine navigation systems, for the COOP program.

9) Fleet Modernization Program (FMP) -8,438
a) Decrease reflects repricing of two AN/SQQ-89 ASW Suites installed on FFG-7 class ships in FY 1988 (-5,504).
b) MSO-441 ROH deferred to FY 1989 (-317).
c) MSO-446 ROH cancellation due to earlier than scheduled decommissioning (-491).
d) FFG-14, MSO-438 and MSO-442 maintenance availabilities deferred to FY 1989 due to ship deployments to Persian Gulf in FY 1988 (-2,126).

Budget Activity: 1 - Mission Forces (Cont'd)

<u>B. Reconciliation of Increases and Decreases</u>	<u>FY 1988</u>	<u>FY 1989</u>
10) Contractor Support Services (CSS) Reduction to reflect efficient use of Contract Support Services consistent with the streamlined management of the acquisition and logistics support process.	-104	
7. FY 1988 Current Estimate	565,808	
8. Pricing Adjustments		-19,438
A. Stock Fund		
1) Fuel	(-25,980)	
2) Non-Fuel	+237	
	-26,217	
B. Industrial Fund Rates	(+138)	
C. Other Pricing Adjustments	(+6,404)	
9. Program Increases		+88,063
A. Reserve Air Forces	(+23,130)	
B. Reserve Surface Support Forces	(+414)	
C. Reserve Ship Operations	(+10,684)	
D. Reserve Ship Maintenance and Modernization	(+48,177)	
E. Overhaul and Modernization of Reserve Ship Equipment (+3,683)		
F. Reserve Force Engineering Services Support	(+729)	
G. Reserve Special Combat Support Forces	(+1,246)	

Budget Activity: 1 - Mission Forces (Cont'd)

B. Reconciliation of Increases and Decreases

10. Program Decreases

A. Reserve Air Forces (-14,112)

B. Reserve Surface Support Forces (-1,318)

C. Reserve Ship Operations (-829)

D. Reserve Ship Maintenance and Modernization (-5,833)

E. Overhaul and Modernization of Reserve Ship Equipment (-1,605)

F. Reserve Special Combat Support Forces (-640)

G. Reserve Fleet Operations Support (-69)

11. FY 1989 Amended Estimate

FY 1988

FY 1989

-24,406

610,027

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces
Activity Group: Reserve Air Forces

I. Description of Operations Financed. Naval Reserve Air Forces consist of two carrier air wings with a total of seventeen squadrons, two long-range ASW patrol wings with a total of thirteen squadrons, one helicopter wing with eight squadrons, and one air logistics wing with fourteen squadrons. The Fourth Marine Corps Air Wing consists of twenty-two flying squadrons and supporting units which are budgeted for and supported by Commander, Naval Reserve Force. The mission of the Naval Reserve Air Force is to provide combat ready aviation forces which will permit rapid deployment in the event of full or partial mobilization. Air Reserve units are of two basic types: (1) those with combat ready aircraft assigned (squadrons) and (2) those without their own equipment (augment units). The latter type maintains combat readiness using the equipment of the Reserve or Regular Navy squadrons. Upon mobilization the augment units join regular Navy squadrons to provide them with manning needed to fly and maintain their aircraft under wartime operations. A high level of combat readiness is required of these forces if they are to be effective during the early stages of war when decisive operations will occur.

Funds requested will provide fuel, oil, lubricants, consumable parts, repairable parts, replacement flight clothing, and emergency equipment such as parachutes and life rafts, and miscellaneous supplies needed for squadron operation. In addition, costs of simulators and instrumented ranges used for crew training and squadron travel expenses are included.

Flying levels requested are based on operating syllabi for each type of squadron, and represent 86.75 (.25% simulator use) of total TACAIR/ASW pilot annual training requirements in FY 1987, FY 1988 and FY 1989. Land-based squadrons, except Maritime Patrol Aircraft (VP), require 130 hours per pilot annually to attain and maintain combat readiness. VP squadrons require 140 hours per pilot annually because of inflight torpedo and mining qualifications. Carrier-based squadrons require 150 hours per pilot annually. Twenty hours are needed for simulated carrier landing practice at an airfield and for refresher carrier landings aboard ship. Carrier landings must be made each year to maintain skills needed for combat deployment.

Flying levels for logistic aircraft (C131, C9, DC9, C12, C20 and T39) and base operating aircraft (TA4J, A4H, and TA4F) are based on a monthly utilization factor for the particular aircraft type, not on an annual pilot training requirement.

Activity Group: Reserve Air Forces (Cont'd)

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	Budget Request	FY 1988		FY 1989		Change FY 88/89
			Approp	Current Estimate	Initial Estimate	Amended Estimate	
Aircraft Flight Operations	116,723	90,577	90,577	102,811	107,799	103,891	+1,080
Aircraft Ops Maintenance	185,564	198,735	197,504	191,412	207,745	182,791	-8,621
Air TAD	5,908	5,853	4,947	4,446	6,016	4,454	+8
Other A/C Support	9,740	9,809	8,660	7,930	9,649	7,981	+51
Command and Administration	23	78	78	78	80	80	+2
Air Spt - Intelligence Trng	135	0	0	235	0	240	+5
Total Program	318,093	305,052	301,766	306,912	331,289	299,437	-7,475

B. Reconciliation of Increases and Decreases

1. FY 1988 Current Estimate

306,912

2. Pricing Adjustments

-16,493

A. Stock Fund

1) Fuel

(-18,354)

2) Non Fuel

+237

B. Industrial Fund Rates

(-3)

C. Other Pricing Adjustments

(+1,864)

3. Program Increases

+23,130

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Activity Group: Reserve Air Forces (Cont'd)

B. Reconciliation of Increases and Decreases (Cont'd)

FY 1988

FY 1989

A. Other Program Growth in FY 1989 (+23,130)
 1) Flight Hour Program +23,130

Increases are the result of the introduction of new aircraft and units (Second RH-53D Squadron), full-year operation of FY 1988 starts (P-3C) and expansion of continuing force modernization programs (A-4E/F to A-4M; A-7B/E to F/A-18 and A-6E; EA-6A to EA-6B; KA-3D to KA-6D; and KC-130F to KC-130T), as follows:

EA-6B/A-6E/KA-6D	3,691 hrs
F/A-18 (USNR)	1,243 hrs
F-14A	1,105 hrs
UC-12B (USNR)	876 hrs
RH-53D	1,300 hrs
HH-60	2,341 hrs
A-4M/A-4F	2,799 hrs
P-3C	766 hrs

4. Program Decreases

-14,112

A. Other Program Decreases in FY 1989 (-14,112)
 1) Flight Hour Program -14,112

Flight hour decreases represent transitions to more modern aircraft.

A-7E	-6,273 hrs
P-3A/B	-3,155 hrs
KA-3B	-1,414 hrs
EA-6A	-768 hrs
HH-1K	-1,951 hrs
HH-3A	-1,719 hrs

5. FY 1989 Amended Estimate

299,437

III. Performance Criteria	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Marine TACAIR			
Average Operating Aircraft	220.5	235.0	235.0
Flight Hours	51,668	50,629	53,890
Cost (\$000)	80,076	77,512	77,594
Navy TACAIR/ASV			
Average Operating Aircraft	278.0	282.5	294.5
Flight Hours	99,566	99,087	95,746
Cost (\$000)	131,233	126,020	118,845
Navy SAU/MAU			
Average Operating Aircraft	-	-	-
Flight Hours	11,047	12,533	12,757
Cost (\$000)	22,221	20,702	19,294
Marine LOG			
Average Operating Aircraft	10.5	10.0	10.0
Flight Hours	5,929	7,596	7,596
Cost (\$000)	3,203	3,834	4,835
Navy LOG			
Average Operating Aircraft	99.5	101.5	103.0
Flight Hours	83,935	83,965	84,813
Cost (\$000)	67,552	66,155	66,114
Totals			
Average Operating Aircraft	608.5	629.0	642.5
Flight Hours	252,145	253,810	254,802
Cost (\$000)	302,285	294,223	286,682

IV. Personnel Summary

Military End Strength

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Officer	55	48	48
Enlisted	123	76	74
Total	<u>178</u>	<u>124</u>	<u>122</u>

FTS End Strength

Officer	353	383	388
Enlisted	4,996	5,164	5,248
Total	<u>5,349</u>	<u>5,547</u>	<u>5,636</u>

Civilian End Strength

There are no civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces
Activity Group: Reserve Surface Support Forces

I. Description of Operations Financed: This activity group is comprised of surface support operating forces. The mission is to provide combat ready forces for immediate deployment in time of full or partial mobilization. The objective is to maintain adequate skill levels in highly technical specialties through training during weekend drills and active duty training.

The Surface Support Forces are composed of several related but distinct programs. The programs financed include: Construction (SEABEES) Forces, Cryptologic Activities (Security Groups), Intelligence Training Activities, Ordnance Handling Support Activities (Explosive Outloading Teams), and Special Combat Support Forces. The Special Combat Support Forces include Mobile Mine Assembly Groups (MOMAGS), Amphibious Construction Detachments, Beachmaster Units (BMU), Assault Craft Units (ACU), Mobile Inshore Undersea Warfare (MIUW) Units, Underwater Demolition Teams (UDT), Cargo Handling Battalions (CHB), Explosive Ordnance Disposal (EOD) units, Navy Beach Groups (NBG), and Mobile Diving and Salvage Units (MDSU). The Classic Buoyant System is a program that uses state-of-the-art electronics equipment which provides live cryptologic training for Naval Reserve Security Group personnel in support of the National cryptologic mission.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988			FY 1989			Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	
Special Combat Spt Forces	5,743	7,869	7,518	7,354	6,397	-577	5,820	-1,534
Construction Battalions	4,092	4,542	4,542	4,542	5,165	-33	5,132	+590
Cryptologic Activities	740	758	758	758	804	0	804	+46
Intelligence Training	0	235	235	0	240	-240	0	0
Ordnance Handling Support	735	702	702	702	619	-13	606	-96
Total Program	11,310	14,106	13,755	13,356	13,225	-863	12,362	-994

Activity Group: Reserve Surface Support Forces (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988 FY 1989

1. FY 1988 Current Estimate

13,356

2. Pricing Adjustments

-90

A. Stock Fund

(-261)

1) Non Fuel

-261

B. Industrial Fund Rates

(+38)

C. Other Pricing Adjustments

(+133)

3. Program Increases

+414

A. Annualization of FY 1988 Increases

(+11)

1) CHB Support

+11

Consumables/maintenance in support of the additional Naval Reserve Cargo Handling (CHB) Training Battalion at Williamsburg, VA.

B. Other Program Growth in FY 1989

(+403)

1) Explosive Ordnance Disposal Mobile Unit

(EODMU) Support

+76

Operational support for EODMU's 7 and 10.

2) Rapid Runway/Fleet Hospital Training

+327

Provides for required annual hands-on training in rapid runway repair for 17 RNCB. Additionally provides equipment and training associated with construction support for the fleet hospital program. Training consists of tent practice, electrical production and distribution, water treatment and distribution and rapid deployment and operation of fleet hospitals.

Activity Group: Reserve Surface Support Forces (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988 FY 1989

4. Program Decreases

-1,318

A. One Time FY 1988 Costs

- 1) CHB equipment purchase
Chemical, Biological and Radiological
gear for the 14th Cargo Handling Training
Battalion at Williamsburg, VA.

(-1,234)
-28

- 2) MIUV COSAL

- Acquisition of COSAL spare parts for
AN/TSQ MIUV Vans and TOA for MIUV units
purchased in FY 1988 and will not be required
in FY 1989.

-1,206

B. Other Program Decreases in FY 1989

- 1) Seabee Battalions
Decreased purchase of containers for storage
of Seabee Reserve Naval Construction Force
(RNCFF) prepositioned equipment of wartime
contingencies.

(-84)
-84

5. FY 1989 Amended Estimate

12,362

III. Performance Criteria

FY 1987 FY 1988 FY 1989

Construction Battalions

- 1st Reserve Naval Construction Brigade
- Construction Regiments
- Mobile Construction Battalions (RNNCB)
- Construction Force Support Units
- Reserve Naval Facility Units
- CB HQ Reinforcing/Sustaining Units
- ACOS Construction Management CINCUSNAVEUR
- Construction Battalion Hospital Units

1	1	1
8	8	8
17	17	17
4	4	4
20	20	20
6	6	6
1	1	1
5	7	11

Activity Group: Reserve Surface Support Forces (Cont'd)

III. Performance Criteria (Cont'd)

	FY 1987	FY 1988	FY 1989
<u>Special Combat Support Forces</u>			
Mobile Mine Assembly Groups (MOMAGS)	27	27	27
Amphibious Construction Detachments	30	30	30
Beachmaster Units (BMU)	2	2	2
Assault Craft Units (ACUs)	7	7	7
Mobile Inshore Undersea Warfare Units (MIUW's)	20	23	26
Special Warfare/SEALS	27	27	27
Cargo Handling Battalions (CHB's)	12	12	12
Cargo Handling Training Battalion	1	1	1
Explosive Ordnance Disposal (EOD) Units	2	2	2
Navy Beach Group (NBG)	2	2	2
Mobile Diving & Salvage Units (MDSU)	14	14	14
<u>Cryptologic Activities</u>			
Security Groups	87	87	88
<u>Ordnance Handling Support</u>			
Explosive Outloading Teams (EOT)	60	60	60
Total	353	358	366

IV. Personnel Summary

	FY 1987	FY 1988	FY 1989
<u>Military End Strength</u>			
Officer	10	11	9
Enlisted	171	300	292
Total	181	311	301
<u>FTS End Strength</u>			
Officer	16	28	28
Enlisted	346	408	432
Total	362	436	460
<u>Civilian End Strength</u>			

There are no civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces
Activity Group: Reserve Ship Operations

I. Description of Operations Financed. The missions and objectives of Naval Reserve ships are to train Selected Reservists, to augment regular naval forces, to conduct operations to ensure control of the sea, and to provide combat ready ships in support of national objectives. The FY 1989 request supports reserve ship operating tempo of 21 days per quarter. This operating tempo will enable the Naval Reserve to continue to accomplish underway training and exercises to improve the readiness of Naval Reserve Force ships. FY 1989 Ship Operations funding provides support for 49.2 ship years, and for the following requirements:

Ship Fuel. Includes ship propulsion fuel to operate the main plant/engines of the conventionally powered ships, auxiliary diesel engines of auxiliary equipment and small boats.

Ship Utilities. Includes the cost of steam, electricity, water, sewage treatment and other utilities (excluding telephone and garbage removal) incurred by Naval Reserve Force ships and certain centrally managed service craft while partially or totally "cold iron" (i.e., receiving shore services vice having the engineering plant on the line).

Repair Parts. Includes all repair parts and repair related consumables required to accomplish organizational level equipment maintenance. Organizational level maintenance is that corrective and preventive maintenance accomplished by the ship's crew. Organizational maintenance is a blend of equipment operation, condition monitoring and repair ranging from simple equipment lubrication to component changeout and, in some cases, complete revotk in-place.

Other Operational Target (OPTAR). Includes administrative and housekeeping items, forms, routine maintenance tools which may be used in the repair of equipment, and other items having a limited life such as lubricants, boiler compound and bilge cleaner. Included are equipage items such as damage control pumps and blowers and labor-saving devices such as power tools, office machines and duplicators.

Activity Group: Reserve Ship Operations (Cont'd)

II. Financial Summary (Dollars in Thousands)

A. <u>Subactivity Breakout</u>	FY 1988			FY 1989		
	<u>FY 1987</u>	<u>Budget Request</u>	<u>Current Estimate</u>	<u>Initial Estimate</u>	<u>Change</u>	<u>Amended Estimate</u>
						<u>Change FY 88/89</u>
Fuel	15,740	15,924	18,612	18,420	+1,573	19,993
Utilities	7,945	12,547	10,743	14,687	-1,267	13,420
Repair Parts	24,818	24,759	23,590	27,259	-2,262	24,997
Other OPTAR	13,966	14,892	13,669	16,301	-1,604	14,697
Total Program	62,469	68,122	66,614	76,667	-3,560	73,107

+6,493

B. Reconciliation of Increases and Decreases

FY 1988 FY 1989

1. FY 1988 Current Estimate

66,614

2. Pricing Adjustments

-3,362

A. Stock Fund
1) Non Fuel

(-3,888)
-3,888

B. Industrial Fund Rates

(+161)

C. Other Pricing Adjustments

(+365)

3. Program Increases

+10,684

A. Other Program Growth in FY 1989

(+10,684)

1) MCM Transfer

+1,652

Increase because of gains to Naval Reserve ship inventory, due to transfer of two MCM's from active fleet in FY 1989.

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Activity Group: Reserve Ship Operations (Cont'd)

B. Reconciliation of Increases and Decreases FY 1988 FY 1989

2) Ship Operations Requirements +5,652

FY 1989 funding requirements are the result of ship inventory changes plus an annualization of FY 1988 ship inventory increases. Following factors contribute to increase:

	SHIP YRS	OP MOS
PFGs	+2.7 SY	+11
FF	+0.5 SY	+4

2) Persian Gulf Operations +2,809

Increase due to return of Naval Reserve MSOs and FFG-7 class ships from Persian Gulf deployment.

3) Utilities +571

Increase results from impact of ship mix/homeport changes.

4. Program Decreases -829

A. Other Program Decreases in FY 1989 (-829)

1) Repair Parts -829

Decrease in supplies and equipment as result of decreased MSO ship years (-1.3 SY).

5. FY 1989 Amended Estimate 73,107

Group: Reserve Ship Operations (Cont'd)

III. Performance Criteria

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Ship Inventory	43	48**	48
Ship Years	40.3	39.3	49.2
Underway Steaming Hours	47,307	47,881	63,150
Barrels of Fossil Fuel (000)	499.9	663.1	731.9

** Five (5) MSO's and two (2) FFG-7 class ships are deployed to the Persian Gulf in support of active forces in FY 1988; their shipyears, steaming hours and barrels of fuel are not included.

IV. Personnel Summary

Military End Strength

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Officer	437	286	288
Enlisted	3,457	3,696	3,500
Total	<u>3,894</u>	<u>3,982</u>	<u>3,788</u>

FTS End Strength

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Officer	72	149	153
Enlisted	1,608	1,740	1,985
Total	<u>1,680</u>	<u>1,889</u>	<u>2,138</u>

Civilian End Strength

There are no civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces
Activity Group: Reserve Ship Maintenance and Modernization

I. Description of Operations Financed. The Naval Reserve Ship Maintenance Program, including the Fleet Modernization Program (FMP), encompasses industrial repairs, ship upgrade/modernization, material used by tenders and shore facilities to perform intermediate level maintenance, and other scheduled and emergent refurbishment necessary to achieve and maintain adequate readiness of the Naval Reserve ships. Depot and intermediate echelons of maintenance are funded in this program. Organizational level repairs are included with ship operational expenses. The objective of the maintenance program is to accomplish required maintenance at the lowest level maintenance activity having requisite capability and capacity. Existing maintenance concepts are being revised into structured operating and maintenance cycles engineered to balance resources with requirements.

A. The Overhaul Program funds the depot level maintenance of those Naval Reserve ships that have completed the prescribed operating cycle and are due for regular overhaul. During overhaul the ships are drydocked and receive extensive hull/superstructure and equipment/system repairs. FY 1989 ROH resources provides for the overhaul of 1 ship.

B. The Restricted Availability/Technical Availability (RA/TA) program funds both scheduled and emergent depot level maintenance of Naval Reserve ships. A Restricted Availability (RA) is for the accomplishment of specific items of work by a repair activity, normally with the ship present, during which period the ship is rendered incapable of fully performing its assigned mission. Included in the RA category are Selected Restricted Availabilities (SRAs) for PFG-7 class ships and MSOs, Phased Maintenance Availabilities (PHAs) for FF-1052 and LST-1179 class ships, and Interim Dry-Dockings (IDDs) for minesweepers. A technical availability (TA) is for the accomplishment of specific items of work on ship equipment by a repair activity, normally without the ship present, during which the ship is able to fully perform its assigned mission.

C. The Intermediate Level Maintenance (IMA) program funds maintenance which is normally performed by Navy personnel on tenders, repair ships and Shore Intermediate Maintenance Activities (SIMA). IMA personnel perform maintenance aboard customer ships and also remove equipment for repairs in IMA facilities. SIMAs also assist in the accomplishment of organizational level maintenance deficits that result from the unique Active duty/Selected Reserve crew composition aboard Naval Reserve ships. The organizational level shortfall is compounded by reduced authorized crew sizes and more sophisticated equipments/systems aboard the never Naval Reserve ships.

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

D. The Fleet Modernization Program (FMP) funds the installation of authorized military and technical ship improvement alterations to enhance mission capability, safety and habitability of Naval Reserve ships. This funding also includes the cost of preliminary design, preparation of blueprints, installation of equipment, the procurement and stocking of spare parts and the updating of ship's records to reflect the installation. The program encompasses alterations required by government-wide regulations or readiness and safety related considerations. Alterations include firefighting and safety, communications, hull, mechanical and electrical, pollution abatement, ship survivability and navigation improvements.

E. The Outfitting program funds initial outfitting and allowance requirements of all stock funded expense type material (including DLRs), spares, repair parts, special tools, and shipboard equipment allowances as well as all follow-on equipment improvement programs outfitting requirements.

F. Engineering Operation Cycle (EOC) is the Naval Reserve Phased Maintenance Program that develops and implements a phased maintenance program for FP-1052 class ships of the Naval Reserve. It includes a revised operation and maintenance schedule and improved work package determinations. The Phased Maintenance Program is intended to plan and implement a strategy for the conversion of eight Naval Reserve FP-1052 class ships from conventional overhaul to phased maintenance in order to avoid periods of 8 months or longer during which a ship is not available. The phased maintenance strategy is designed to improve operating schedules of combatants without adversely affecting their operational performance by substituting for the current 8-9 month overhaul a series of Phased Maintenance Availabilities (PMAs) of 3 months duration separated by eighteen months of operation, followed by a 4-month PMA during which the ship will be dry-docked.

Another portion of these funds is for accomplishment of repairs and overhauls of electronic equipment and modules installed on Naval Reserve FFG-7 and FP-1052 class ships. As a result of the EOC and LO-MIX maintenance strategy, major electronic modules and equipment are changed-out and shipped to rework facilities for screening, refurbishment and subsequently returned to a pool for issue during availabilities of other EOC and LO-MIX ships.

G. The FFG-7 Class LO-MIX Support Program develops and implements required changes to the Naval Reserve FFG-7 Class ship in order to provide an effective life cycle support system for the 16 ships of the class transferring to the Naval Reserve between FY 1985 and 1989. LO-MIX features of Active FFG-7 class ships (minimal manning, progressive overhaul, expanded use of repairables, Class Maintenance Plan and Maintenance Criticality Oriented (MCO) COSAL must be modified to accommodate unique characteristics (operating tempo, manning, homeport assignments) of FFG-7 class Naval Reserve Force ships.

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

H. The Intermediate Maintenance Activities (IMA) Upgrade program, initiated in FY 1985, is intended to: (1) fund site preparation and facility engineering and support for eight Shore Intermediate Maintenance Activities Naval Reserve Maintenance Facilities (SINA NRMF) which are being established coincidentally with the expansion of the Naval Reserve ASV Frigate Program to provide organic intermediate level maintenance capabilities at NRF combatant homeports; and (2) provide similar funding support at active SINA's, in proportion to the number of NRF ships homeported at active ports.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
Regular Overhaul (ROH)	18,248	6,074	6,070	298	5,228	-3,049
Restricted Avail (RA/TA)	59,946	59,290	55,067	69,694	81,348	+18,578
Ship Intermediate Maint. (IMA/SIMA)	22,281	27,787	27,720	22,050	29,055	-6,563
Fleet Modernization Program (FMP)	20,650	43,574	42,136	35,354	49,120	-2,504
Outfitting	7,351	9,932	9,699	8,949	10,858	-3,721
Surface Ship Engineered Operating Cycle (EOC)	1,139	1,127	1,102	965	1,876	-206
LO-MIX Support	794	559	545	545	764	-19
Intermediate Maintenance Activities Upgrade	7,949	8,950	8,193	8,629	10,422	-2,141
Total Program	138,358*	157,293	150,532	146,484	188,671	+375
					189,046	+42,562

*Includes \$8,835 thousand unobligated on 30 September 1987 but required by government estimates for completion of private repair contracts executed Technical Operating Budget (TOB) procedures for change in scope of overhaul, maintenance, and repair of ships inducted in FY 1987.

B. Reconciliation of Increases and Decreases

1. FY 1988 Current Estimate

FY 1988	FY 1989
146,484	

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

	<u>FY 1988</u>	<u>FY 1989</u>
B. Reconciliation of Increases and Decreases		
2. Pricing Adjustments		+218
A. Stock Fund		
1) Non-Fuel	(-3,270) -3,270	
B. Industrial Fund Rates	(-12)	
C. Other Pricing Adjustments	(+3,500)	
3. Program Increases		+48,177
A. Other Program Growth in FY 1988		
1) SRA/PHA	(+48,177)	
Increase of 7 SRAs and 1 PMA for	+19,110	
Naval Reserve ships:		
FFG-7	+2	
ARS	+1	
FF-1052	+1	
DD	+1	
MSO	+4	
LST	-1	
2) Persian Gulf Operations	+9,414	
Increase of 1 ROH and 2 SRAs, and associated		
Fleet Modernization Program (FMP) packages,		
for NRF ships deployed to Persian Gulf whose		
FY 1988 maintenance availabilities were		
deferred into FY 1989.		
3) Outfitting	+3,305	
Increase supports 2 MK-15 CIVS MOD II,		
COSAL Updates for one Destroyer and		
one additional Frigate, and various		
other outfitting programs.		

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988

FY 1989

- | | |
|--|---------|
| 4) Fleet Modernization Program (FMP) | +11,925 |
| Funds FMP during the following maintenance availabilities: | |
| a) Two additional CIWS systems installed on FFG-7 class ships (+2,234). | |
| b) Two additional Halon System Upgrades installed on FFG-7 class ships (+1,818). | |
| c) One additional AFFF Systems Upgrade installed on FFG-7 class ships (+655). | |
| d) One additional FF-1052 class PMA FMP package (+2,056). | |
| e) Two additional FFG-7 class SRA FMP packages (+3,334). | |
| f) Four additional MSO class SRA FMP packages (+1,828). | |
| 5) Equipment Restoration | +442 |
| Increase will accommodate additional equipment restorations (56 units). This is primarily driven by 5 OE-82 systems (20 units) and 9 NAVMACS systems (36 units). | |
| 6) Intermediate Maintenance Activity (IMA) | +1,346 |
| Increased workyear requirements due to increased shipyears, including those of NRF ships returning from Persian Gulf deployment. | |
| 7) Habitability Support | +244 |
| Increased habitability support associated with increased maintenance availabilities. | |
| 8) Industrial Plant Equipment | +249 |
| Increases associated with IPE repair program. | |

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1989

FY 1988

9) Emergent Repairs +1,735

Increase associated with Emergent Repair/
Major RAV support primarily for USS Boulder
(LST-1190) and USS EDSON (DD-946), based on
length of time out of SRA/ROH.

10) LOMIX +162

Increase supports 2.8 additional workyears
of Life Cycle Support due to late FY 1988
transfer of 2 FPGs to Naval Reserve.

11) EOC +245

Increase supports FF-1052 class maintenance,
alteration partitioning, and management of
contingency spares efforts.

4. Program Decreases

-5,833

A. One-Time FY 1988 Costs

(-21)

1) SIMA Support

-21

One-Time items required for SIMA New York
(furniture/collateral eqpt/initial supplies).

B. Other Program Decreases in FY 1989

(-5,812)

1) Outfitting

-4,213

Decrease reflects 13 fewer AN/SQR-17(V)
DIFAR/DICASS (AN/SQR-17's are installed on
FF-1052 and FPG-7 class ships. FY 1988 will
complete outfitting of all FF-1052's); COSAL.
Update decreases for Auxiliary Patrol and
other ships/boats; and reduction in Damage
Control Lockers and Emergent Safety Equipage.

2) Fleet Modernization Program

-1,599

a) One fewer LST class PHA FMP package.

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Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1989

FY 1988

189,046

5. FY 1989 Amended Estimate

III. Performance Criteria

A. Ship Overhauls (\$000)

Hull No.	Name	FY 1987		Current ROH Dates	Cost (\$000)
		Date Last ROH Completed			
MSO 509	ADROIT	12/83		09/87-04/88	3,813
MSO 449	IMPERVIOUS	08/83		09/87-04/88	4,263
MSO 511	AFFRAY	07/83		09/87-09/87	1,205
ARS 38	BOLSTER	01/84		07/87-12/87	4,298
ARS 42	RECLAIMER	02/84		06/87-10/87	4,298
Total Overhauls:					17,877
Advance Planning:					371
Total FY 1987 Program					18,248

<u>Hull No.</u>	<u>Name</u>	<u>Date Last</u> <u>ROH Completed</u>	<u>Current</u> <u>ROH Dates</u>	<u>Cost</u> <u>(\$000)</u>
	FY 1988			
	NO OVERHAULS SCHEDULED			
	Total Overhauls:		0 ships	0
	Advance Planning:		1 ship	298
	Total FY 1988 Program			298

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

III. Performance Criteria (Dollars in Thousands)

		<u>FY 1989</u>				
<u>Hull No.</u>	<u>Name</u>	<u>Date Last ROH Completed</u>	<u>Current ROH Dates</u>		<u>Cost (\$000)</u>	
MSO 442	FEERLESS	01/85	05/89-07/89		1,581	
	Total Overhauls:		1 ship		1,581	
	Advance Planning:		2 ships		598	
	Total FY 1989 Program				2,179	

B. Restricted Availabilities (\$000)

<u>Type of Repair</u>	<u>FY 1987</u>		<u>FY 1988</u>		<u>FY 1989</u>	
	<u># Ships</u>	<u>Cost</u>	<u># Ships</u>	<u>Cost</u>	<u># Ships</u>	<u>Cost</u>
Emergent Repair	40.3	16,623	45.3	14,288	49.2	16,096
Selected Restricted Avail.	11	28,686	9	28,539	18	47,540
Phased Maintenance Avail.	4	10,549	5	17,904	6	26,373
Misc RA/TA	-	3,797	-	8,238	-	8,921
Habitability Improvements	5	291	6	725	20	996
Total		59,946		69,694		99,926

C. Intermediate Maintenance

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
1. SIMA/IMA			
a) Repair Dept. Workyears	611	659	701
b) Mat'l Cost/Repair Dept. Workyears (\$)	24,480	24,622	21,807
2. Costs (\$000)			
a) SIMA/IMA	16,977	17,672	17,191
b) Commercial Industrial Services	5,304	4,378	5,301
Total	22,281	22,050	22,492

D. Fleet Modernization Program (Dollars in Millions)

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Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

III. Performance Criteria (Cont'd)

E. Outfitting (\$000)	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
Total Outfitting	7,351		8,949		7,137	
Major Equipment Outfitting						
20 CFH Air Comp (HIP)					113	6
AN/SPS-40 B/D (FCB)			436	3	406	4
AN/SQR-17(V)DIPAR/DICASS	1,265	4	3,000	15	278	2
AN/SQR-18A(V)1	597	1				
AN/SWG(V) ORDALT (VU)			114	3	56	2
FP-1052 AN/SLQ-32(V) Upgrade			315	1		
Pin Stabilizer FPG-7CL	897	5	114	1		
GMLS MK13 Mod 4 O/A Blk 5			160	6	99	5
LST AV/SLQ-32 Backfit					158	1
MK15 CIWS Mod 11	380	2			1,461	2
SA-2112(V)3/STQ	299	10	38	2		
TD-1271(B)/U	3,438	22	4,177	31	2,571	22
Total						
Misc Equip Outfitting						
Other Equipment	553		863		427	
DLA Material	824		939		407	
GPE Miscellaneous	131		178		132	
Total	1,508		1,980		966	
Other Outfitting Programs						
Chem, Biological, Rad.	0		270		341	
Damage Control Locker	180		220		128	
Emergent Safety Equipage	109		103		77	
ACR Changes	420		507		577	
Total	709		1,100		1,123	

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

III. Performance Criteria (Cont'd)

E. Outfitting (Cont'd) (\$000)	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
COSAL Update Costs						
Frigates	1,190	2	1,109	2	1,370	3
Amphibious Landing	196	1				
Destroyers					1,107	1
Auxiliary, Patrol, Others	310	4	583	7		
Total	1,696	7	1,692	9	2,477	4

F. FFG-7 Class LOMIX Support (NRF) (\$000)	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
Total Funding	794		545		745	
# of FFG-7 Ships Supported		12		16		16

Efforts/Funding						
1. Class Maintenance Plan	50		50		50	
2. SRA/IMAV Planning	250		250		250	
3. Life Cycle Support	419		170		370	
4. Performance Monitoring	75		75		75	

G. Naval Reserve Force (NRF) Phased Maintenance Program (EOC) (\$000)	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
Total Funding	1,139		965		1,670	
# of Ships Supported		6		9		9

Efforts/Funding						
1. Port Engineers	736		686		737	
2. Preparations for SRAs	169		-		-	
3. Alteration Partitioning/Other Efforts	-		-		219	
4. Electronic Equipment/Modules	234		279		714	

Activity Group: Reserve Ship Maintenance and Modernization (Cont'd)

III. Performance Criteria (Cont'd)

H. Intermediate Maintenance Activities Upgrade (\$000)

	FY 1987	FY 1988	FY 1989
	\$	\$	\$
	Units	Units	Units
Total Funding	7,949	8,629	8,281
Sites Supported	7	6	7
Tech. & Logistics Services/Manhours	40,500	34,150	44,000
Units Procured/Installed	8,800	11,220	5,880
Shop Quality Improvement Program (SQIP)			
SQIP (non-add dollars)	(825)	(825)	(825)
SQIP Manhours (non-add)	(15,000)	(15,000)	(15,000)

IV. Personnel Summary

	FY 1987	FY 1988	FY 1989
<u>Military End Strength</u>			
Officer	57	36	36
Enlisted	403	721	656
Total	460	757	692

<u>FTS End Strength</u>	
Officer	22
Enlisted	951
Total	973

Civilian End Strength

There are no civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces

Activity Group: Overhaul and Modernization of Reserve Ship Equipment
and Related Support

I. Description of Operations Financed. This program encompasses depot level overhaul and modernization of specific Naval Reserve ship equipment not included in the normal Type Commander overhaul program. Repairs are, however, normally accomplished simultaneously with the Type Commander scheduled maintenance availabilities including Regular Overhauls (ROH), Phased Maintenance Availabilities (PHA) and Selected Restricted Availabilities (SRA).

The Sonar Overhaul and Mine Countermeasures (MCH) Equipment Maintenance Program provides for depot level restoration/repair of transducers and hydrophones for sound navigation and ranging (SONAR), underwater communications, depth measuring equipment and surface mine countermeasure equipment, in direct support of all classes of Naval Reserve ships and the Craft of Opportunity Program (COOP).

The Gun Overhaul Program provides for the depot level restoration/repair of Gun Weapon Systems on Naval Reserve ships.

The Antisubmarine Warfare Systems Support Program provides for depot level refurbishment of ASROC launchers and torpedo tubes installed on Naval Reserve ships. The program also provides for weapons systems accuracy trials (VSAT) associated with the ASW systems of Naval Reserve frigates.

The Missile Weapons System Equipment Maintenance Program provides technical support and material services required for operation, maintenance and installation of Missile Weapon Control Systems and Guided Missile Launching Systems. The program provides funding to rework MK 92 Fire Control System antennas, Combined Antenna Systems (CAS), and System Tracking and Illuminating Radars (STIR) for Naval Reserve FFG-7 class ships.

The Test, Measuring and Diagnostic Equipment/Metrology and Calibration (TMDE/METCAL) Program supports the calibration of electronic test equipment requirements on FFG-7 class ships for monitoring and maintaining the performance level of systems/equipments. TMDE is any device which measures, calibrates, gauges, tests, inspects, monitors, diagnoses or otherwise examines the operating or physical characteristics of a system/equipment or materials/supplies.

Activity Group: Overhaul and Modernization of Reserve Ship Equipment and Related Support (Cont'd)

	<u>FY 1988</u>	<u>FY 1989</u>
B. Reconciliation of Increases and Decreases		
1. FY 1988 Current Estimate	14,372	
2. Pricing Adjustment		+174
A. Industrial Fund Rates	(-49)	
B. Other Pricing Adjustments	(+223)	
3. Program Increases		+3,683
A. Other Program Growth in FY 1989	(+3,683)	
1) Missile Weapon System Maintenance	+141	
Increase reflects additional support		
for Combined Antenna System and System		
Tracking and Illuminating Radar (CAS/STIR)		
rework and maintenance support efforts.		
2) Search Radar Systems Maintenance	+415	
Increase in support of four additional		
Search Radar Antennas scheduled for restoration.		
3) Sonar Overhaul	+2,387	
Increased support for Craft of Opportunity		
Program (COOP), and additional mine neutralization		
systems being supported (+29 systems).		
4) ASV Systems Support	+740	
Increase reflects overhaul of 1 ASROC launcher.		

Activity Group: Overhaul and Modernization of Reserve Ship Equipment and Related Support (Cont'd)

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
		-1,605

4. Program Decreases

A. Other Program Decreases in FY 1989

	(-1,605)
1) Sonar Overhaul	-1,282

Decreases support for 10 fewer COOP mine hunting systems and 14 fewer mine navigation systems.

2) Gun Overhaul
Reduction reflects change of equipment mix on gun weapons systems to be overhauled.

	-117
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3) ASV Systems Support
Decrease due to 1 less Weapon System Accuracy Trial (VAST) and 3 fewer Torpedo Tubes requiring support.

	-206
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5. FY 1989 Amended Estimate

	16,624
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III. Performance Criteria

A. Sonar Overhaul and Mine Countermeasure Equipment Maintenance (\$000)

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
	\$	\$	\$
	Units	Units	Units
Total Funding	3,907	6,435	7,675
1. Craft of Opportunity Program (COOP)	1,630	1,467	2,083
(No. of COOP Ship Systems)	3	3	4

III. Performance Criteria

	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
A. Mine Hunting Systems						
2. Mine Hunting Systems	1,018	14	2,485	31	1,780	21
B. Mine Neutralization Systems						
3. Mine Neutralization Systems	304	6	931	17	2,697	46
C. Mine Navigation Systems						
4. Mine Navigation Systems	955	26	1,552	41	1,115	27
D. Gun Overhaul (\$000)						
Total Funding	3,845		3,500		3,390	
E. Gun Vpn Systems Replacement						
1. Gun Vpn Systems Replacement	3,454	6	3,082	4	2,956	5
F. Engineering Support (Work Years)						
2. Engineering Support (Work Years)	391	5	418	5	434	5
G. ASW Systems Support (\$000)						
Total Funding	710		857		1,387	
H. Weapon Systems Accuracy Trials						
1. Weapon Systems Accuracy Trials	660	6	630	6	527	5
I. ASROC Launchers						
2. ASROC Launchers					740	1
J. Torpedo Tubes						
3. Torpedo Tubes			227	6	120	2
K. MK-27 Targets						
4. MK-27 Targets	50	15	0		0	
Grand Total						
	10,000	100	10,000	100	10,000	100

Activity Group: Overhaul and Modernization of Reserve Ship Equipment and Related Support (Cont'd)

III. Performance Criteria

	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
<u>D. Missile Weapons System Maintenance (\$000)</u>						
Total Funding	3,218		2,312		2,479	
1. CAS/STIR Revork	1,580	4	918	2	1,000	2
2. CAS/STIR Mandatory Replacement Parts	100	4	64	2	67	2
3. Tactical Software Maint.	250		250		258	
4. Maintenance Support	1,088		900		968	
5. Logistics Support	200		180		186	
6. Number of Ships Supported		11		16		16
<u>E. Ship System Tactical Software Maintenance (\$000)</u>						
Total Funding	292		96		96	
1. FFG-7 Tech Support Number of Frigates Supported	292	12	96	16	96	16
<u>F. Test/Calibration Equipment Maintenance (\$000)</u>						
1. Gas Turbine Engines Calibrated	706	12	486	9	500	9

Activity Group: Overhaul and Modernization of Reserve Ship Equipment and Related Support (Cont'd)

III. Performance Criteria

	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
<u>G. Search Radar Systems Maintenance (\$000)</u>						
Total Funding	574		686		1,097	
No. of Ships Supported		26		32		35
1. 2D Radar	524	8	608	8	990	12
2. Repeaters & Switchboards	50	2	78	3	107	3

IV. Personnel Summary

There are no military or civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces
Activity Group: Reserve Force Engineering Services Support

1. Description of Operations Financed. This activity group provides technical support for Naval Reserve Mine Countermeasures maintenance programs and for the E-2C computer program.

The Mine Countermeasures (MCM) Support program covers two task areas. The first is MCM Maintenance Support for minesweeping systems, minehunting systems, mine navigation systems and mine neutralization systems. This includes: (a) equipment maintenance analyses to develop solutions to problems identified by the operating units; (b) maintenance procedures and systems performance issues at depot and intermediate sites; and, (c) programs for material receipts, document resource data, and report compilation (units are number of MCM systems/components). The second task area is MCM Systems Engineering Support, which includes: (a) analysis of hardware, operational employment, and delivery vehicle interface deficiencies; (b) development and evaluation of corrections for deficiencies; and (c) liaison with fleet units to assess equipment performance and operational employment status.

The E-2C computer program provides support for Air Tactical Data Systems (ATDS) aboard E-2C aircraft and consists of the resolution of program trouble reports, implementation of required operational software updates, and subsequent dissemination of tactical operational software tapes to E-2C platforms. Funding also provides for the replacement of faulty digital data recorder reproducer tapes which have exceeded their service use life.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
					Change	Change
MCM Support	5,262	5,540	5,540	6,529	6,174	7,307
E2B/C Support	253	244	244	244	251	251
					0	+7
Total	5,515	5,784	5,784	6,773	6,425	7,558
					+1,133	+785

Activity Group: Reserve Force Engineering Services Support (Cont'd)

	<u>FY 1988</u>	<u>FY 1989</u>
<u>B. Reconciliation of Increases and Decreases</u>		
1. FY 1988 Current Estimate	6,773	
2. Pricing Adjustments		+56
A. Industrial Fund Rates	(+3)	
B. Other Pricing Adjustments	(+53)	
3. Program Increases		+729
A. Other Program Growth in FY 1989	(+729)	
1) MCM Maintenance Support	+729	
Provides increased maintenance support for minesweeping, mine navigation and mine neutralization systems associated with increasing inventory of MCM-1 class ships.		
4. FY 1989 Amended Estimate		7,558

Activity Group: Reserve Force Engineering Services Support (Cont'd)

III. Performance Criteria

A. MCM Maintenance Support (\$000)

	FY 1987		FY 1988		FY 1989	
	\$	Units	\$	Units	\$	Units
Total Funding	5,262		6,529		7,307	
MCM Maintenance Support	3,658		4,861		5,573	
MCM Engineering	1,604		1,668		1,734	

B. E-2C Technical Support Program (\$000)

Total Funding	253	244	251
E-2C Technical Support	233	225	231
Magnetic Tapes	20	19	20

IV. Personnel Summary

There are no military or civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces
Activity Group: Reserve Special Combat Support Forces

I. Description of Operations Financed. The Special Combat Support Forces consist of Special Boat Squadrons and units with the assigned mission of operating and maintaining Fast Patrol Boats and other combatant craft in support of special warfare readiness and training objectives. The primary purpose of the combatant craft is to support the Naval Special Warfare Commander in fulfilling missions related to coastal and inland waters and in support of amphibious operations. The Mine Countermeasures Craft of Opportunity Program (MCM COOP) initiated in Fiscal Year 1984 is designed to augment the Navy's Mine Countermeasures forces. The COOP program uses converted commercial and Navy patrol craft to conduct harbor/channel route surveys in peacetime and assist with the mine clearance mission in wartime. The COOP vessels will be located in 22 military/commercial priority ports.

This activity group provides for administration (including travel), craft operations (fuel and consumables), and craft maintenance/repair in support of unconventional warfare/assault craft/riverine elements of the Naval Reserve Force.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
Special Combat Forces	4,907	5,457	5,117	2,334	5,804	2,772
Combat Craft Repair	4,507	4,410	4,409	2,347	4,663	2,663
Special Ops Forces (SOF)	0	0	0	5,062	0	4,943
Total Program	9,414	9,867	9,526	9,743	10,467	10,378
						-89
						+635

B. Reconciliation of Increases and Decreases

1. FY 1988 Current Estimate

9,743

2. Pricing Adjustments

+29

Activity Group: Reserve Special Combat Support Forces (Cont'd)

	<u>FY 1988</u>	<u>FY 1989</u>
<u>B. Reconciliation of Increases and Decreases</u>		
A. Stock Fund		
1) Non-Fuel	(-206)	
	-206	
B. Other Pricing Adjustments	(+235)	
		+1,246
3. Program Increases		
A. Annualization of FY 1988 Increases	(+395)	
1) COOP Sites	+395	
Annual support of COOP sites and craft.		
B. One Time FY 1989 Costs	(+157)	
1) COOP Support	+157	
Administrative support items for establish- ment of new COOP sites; i.e., minor equipment supplies, furniture, and labor saving devices (Corpus Christi and Gulfport).		
C. Other Program Growth in FY 1989	(+694)	
1) COOP Sites	+442	
COOP site and associated craft support for Savannah, Kings Bay and Lake Charles and new sites at New York and Corpus Christi.		
2) COOP Overhauls	+252	
Cyclic overhaul schedule for COOP boats.		
4. Program Decreases		-640
A. One Time FY 1988 Costs	(-139)	
1) COOP Administrative Support	-139	
Administrative support items for establish- ment of COOP sites; i.e., minor equipment/ supplies, furniture and labor saving devices. Sites were Morehead City and Boston.		

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Activity Group: Reserve Special Combat Support Forces (Cont'd)

<u>B. Reconciliation of Increases and Decreases</u>	<u>FY 1988</u>	<u>FY 1989</u>
<u>B. Other Program Decreases in FY 1989</u>		
1) MCM Equipment Lease		(-501)
Leasing of MCM equipment for COOP craft and		-173
minor reduction in operating cost of COOP		
sites at New London, Morehead City, Gulfport		
and Baltimore.		
2) Special Combat Forces		-328
Reduction to travel, supplies and		
equipment purchases.		
5. FY 1989 Amended Estimate		10,378

III. Performance Criteria

Special Combat Support Forces (SCSF) Units	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Craft of Opportunity (COOP) Units	11	8	8
Combatant Craft/Boats	11	16	19
	86	94	94

IV. Personnel Summary

<u>Military End Strength</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Officer	30	25	25
Enlisted	244	208	210
Total	274	233	235
 <u>FTS End Strength</u>			
Officer	10	14	14
Enlisted	59	67	87
Total	69	81	101
 <u>Civilian End Strength</u>			

There are no civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 1 Mission Forces
Activity Group: Reserve Fleet Operations Support

I. Description of Operations Financed. This program provides for the travel of active duty personnel assigned to Naval Reserve Force ships/craft and their supporting staffs. The program supports a wide variety of operational training and administrative travel requirements to ensure that personnel are trained to perform their functions in a manner that will enable the fleet to maintain a high level of readiness. Costs incurred represent support for transportation, plus per diem and miscellaneous expenses. They also provide for professional, technical, team and administrative training.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989	
		Budget Request	Current Estimate	Initial Estimate	Amended Estimate
Command and Staff	727	702	701	687	-15
Fleet TAD	1,265	985	853	1,014	-171
Total Program	1,992	1,687	1,554	1,701	-186
					1,515
					-29
					-10
					-39

B. Reconciliation of Increases and Decreases

1. FY 1988 Current Estimate

1,554

2. Pricing Adjustments

+30

A. Stock Fund

(-1)

1) Non Fuel

-1

B. Other Pricing Adjustments

(+31)

3. Program Decreases

A. Other Program Decreases in FY 1989

-69

1) FFG and MCM Support

(-69)

Reduced training and supply requirements
in support of FFG-7/MCM ships.

-69

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Activity Group: Reserve Fleet Operations Support (Cont'd)

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
4. FY 1989 Amended Estimate		1,515
<u>III. Performance Criteria</u>	<u>FY 1987</u>	<u>FY 1988</u>
Number of Per Diem Days	54,620	36,848
		36,964

IV. Personnel Summary

Military End Strength

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Officer	30	14	14
Enlisted	117	96	95
Total	147	110	109

FTS End Strength

Officer	9	46	43
Enlisted	96	120	121
Total	105	166	164

Civilian End Strength

There are no civilian personnel assigned to this activity group.

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Budget Activity: 2 - Depot Maintenance (Cont'd)

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
4. Other Decreases	-493	
A. Program Decreases		
1) Contract Support Services	(-493)	
Reduction to reflect efficient	-493	
use of Contract Support Services		
consistent with the streamlined		
management of the acquisition		
and logistics support process.		
5. FY 1988 Current Estimate	119,316	
6. Pricing Adjustments		-2,863
A. Stock Fund		
1) Non-Fuel	(-724)	
	-724	
B. Industrial Fund Rates	(-3,501)	
C. Other Pricing Adjustments	(+1,362)	
7. Program Increases		+9,972
A. Reserve Aircraft Rework	(+6,763)	
B. Reserve Technical Support	(+3,209)	
8. Program Decreases		-9,646
A. Reserve Aircraft Rework	(-8,991)	
B. Reserve Technical Support	(-655)	
9. FY 1989 Amended Estimate		116,779

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 2 Depot Maintenance
Activity Group: Reserve Aircraft Revork

I. Description of Operations Financed. This activity group funds the maintenance and repair of Reserve aircraft and engines, modification installations, and other aircraft support as described below.

A. Airframe Revork - This program provides depot level maintenance and revork of aircraft major structure and airframe systems. The objective of the effort is to maintain a safe, flyable airframe at least-cost over the airframe's useful life by periodic return to a depot level maintenance activity. The following considerations are employed in determining annual airframe revork requirements:

- 1) Aircraft Service Period Adjustment (ASPA) is an inspection program designed to reduce depot maintenance costs by extending the service period for aircraft that are in satisfactory material condition. An ASPA requirements model schedules required airframe inspections based on individual aircraft period end dates (PED). Under ASPA guidelines, aircraft passing the inspection are deferred from depot maintenance for an additional 12 months (for most model aircraft).
- 2) Standard Depot Level Maintenance (SDLM). SDLM is performed on inducted aircraft to the extent that it is technically justified and cost effective. An aircraft is inducted into SDLM when it fails an ASPA inspection, or when a type commander inducts an aircraft directly on a priority basis because of operational considerations. In addition, there are certain model aircraft that are not included in the ASPA program and are inducted into SDLM at each PED.
- 3) Operational Service Period (OSP) initiatives related to increasing PEDs on selected aircraft are included, and revork manhour reductions resulting from Maintenance Requirements Review Boards. Expected savings from these initiatives are included in the requirements contained in this submission and are consistent with the recommendations made by the President's Private Sector Survey on Cost Control.
- B. Engine Revork - The Engine Program is to accomplish the repair, modification, and overhaul of aircraft engines, gearboxes and torque meters installed in Reserve aircraft. The program objective is to have sufficient ready-for-issue engine modules in the Fleet pools so as to operate without resupply for 30 days in the event of mobilization. The quantities of individual Type/Model/Series (TMS) pool assets required to accomplish this objective will vary dependent upon mission and function. Engine SDLM revorks are directly related to aircraft revork.

Activity Group: Reserve Aircraft Revork (Cont'd)

C. Modification Installation - This program is for the installation of operational and safety oriented modifications in existing Reserve aircraft and special modifications that strengthen existing structures and extend their useful life beyond that which was originally engineered. These modifications are of special significance in that by their very nature they negate the necessity to procure new aircraft systems at a much higher cost while at the same time they provide the essential platform through which operational commitments are met. Requirements for the Aircraft Modifications program are generated by the Operational Safety Improvement Program (OSIP). OSIP, funded in the Aircraft Procurement, Navy (APN) appropriation, procures the modification kits which, when installed, effect the necessary improvements in the aircraft system. The Modification Program funds the cost of labor and material needed for the installation of these kits.

Individual aircraft modification installation funding requirements are based on two factors: modification kits currently on hand and those projected to be on hand in the budget year and the out-years. A coordinated and balanced program between kit procurement and kit installation is the objective. Modifications are also installed by Field Mod Teams in aircraft not scheduled for revork to ensure similar configuration of aircraft within a given unit. They are also installed in trainers to update flight and maintenance trainers to a configuration compatible with the Fleet items they simulate.

D. Aircraft Support - This program provides unscheduled services to the Fleet and enhances Fleet readiness by providing expeditious solutions for the correction of minor problems incurred during operations.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
Airframe Revork	62,286	66,133	62,073	58,773	60,522	53,537
Engine Revork	33,474	26,048	25,938	29,238	31,926	30,567
Modification Installation	59,518	20,945	20,866	20,866	20,654	19,620
Aircraft Support	592	1,115	1,111	1,111	848	828
Total Program	155,870	114,241	109,988	109,988	113,950	104,552
						-5,436

Activity Group: Reserve Aircraft Revork (Cont'd)

<u>B. Reconciliation of Increases and Decreases</u>	<u>FY 1988</u>	<u>FY 1989</u>
1. FY 1988 Current Estimate	109,988	
2. Pricing Adjustments		-3,208
A. Stock Fund		
1) Non-Fuel	(-724)	
	-724	
B. Industrial Fund Rates	(-3,501)	
C. Other Pricing Adjustments	(+1,017)	
3. Program Increases		+6,763
A. Other Program Growth in FY 1989	(+6,763)	
1) Engine Revork		
Increase of 12 engine repairs	+2,540	
and 8 gear boxes/torque meter		
overhauls and repairs.		
2) Modifications		
Increase in mod installations	+4,223	
including ASIP modifications of		
KC-130T.		
4. Program Decreases		-8,991
A. Other Program Decreases in FY 1989	(-8,991)	

Activity Group: Reserve Aircraft Revork (Cont'd)

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
1) Airframe Revork Decrease of 11 SDLM revorks from the peak requirement that occurred in FY 1988.	-3,780	
2) Modifications Decrease in DC-9 to C-9B cargo configuration, and E-2C modifications.	-4,780	
3) Support Services Decrease in customer services and Air Traffic Control.	-431	

5. FY 1989 Amended Estimate

104,552

III. Performance Criteria (Dollars in Thousands)

Airframe Revork

Standard Depot Level Maintenance (SDLM)

Units	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Cost	39,892	45,755	37,429

SDLM/Conversion

	0	0	6
Units	0	0	0
Cost.	0	0	1,483

SDLM/Modification

Units	8	9	23
Cost	9,681	6,255	8,548

Activity Group: Reserve Aircraft Rework (Cont'd)

III. Performance Criteria (Dollars in Thousands)

		<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
SDLM/Crash Damage				
Units	-	-	-	-
Cost	-	-	-	-
Age Exploration				
Units	1	0	0	0
Cost	303	0	0	0
Subtotal SDLM				
Units	91	118	107	
Cost	49,876	52,010	47,460	
Mid-Term Inspection				
Units	14	0	0	
Cost	1,139	0	0	
SDLM Repair				
Units	1	21	30	
Cost	498	203	311	
Air Worthiness				
Units	3	0	4	
Cost	128	0	153	
Sub-Total Other				
Units	18	21	34	
Cost	1,765	203	464	
Emergency Repair				
	9,714	4,921	3,534	
ASPA Inspections (Cost)				
	931	1,639	2,079	

Activity Group: Reserve Aircraft Rework (Cont'd)

III. Performance Criteria (Dollars in Thousands)

Total Airframe Rework			
Units (SDLM)	91	118	107
Cost	62,286	58,773	53,537
<u>Engine Rework</u>			
Engine Overhaul (O/H)			
Units	25	26	18
Cost	5,445	4,945	2,975
Engine Repair			
Units	237	214	234
Cost	27,198	23,511	26,733
Sub-Total O/H and Repair			
Units	262	240	252
Cost	32,643	28,456	29,708
Gear Boxes (GB) Torque Meters (TM) O/H			
Units	44	48	56
Cost	781	704	782
GB/TM Repair			
Units	3	6	6
Cost	50	78	77
Sub-Total GB/TM & Special Repair			
Units	47	54	62
Cost	831	782	859
Total Engine Rework			
Cost	33,474	29,238	30,567

Activity Group: Reserve Aircraft Rework (Cont'd)

III. Performance Criteria (Dollars in Thousands)

Modification Installation

Installation Concurrent with Airframe Rework

Drive-In Mods

Field Mod Teams

Verification Installation

Commercial Mod Installation

Total Modification Installation

Aircraft A/C Support

Customer Services

Other Support Items

Air Traffic Controller

Total A/C Support

Aircraft A/C Support

Total Requirements

Total Funding

Total Backlog

Total Executable Backlog

IV. Personnel Summary

There are no military or civilian personnel assigned to this activity group.

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
	3,377	4,767	8,833
	9,358	2,715	1,371
	1,988	2,997	931
	131	0	0
	44,664	10,387	8,485
	59,518	20,866	19,620
	285	530	485
	307	155	185
	0	426	158
	592	1,111	828
	155,870	116,046	115,996
	155,870	109,988	104,552
	0	6,058	11,444
	0	0	0

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 2 Depot Maintenance
Activity Group: Reserve Technical Support

I. Description of Operations Financed. This activity group provides Contracted Support Services (CSS) training for Naval Air Reserve activities aviation maintenance personnel at the organization and intermediate levels to assure in-house capability and maintainability of assigned aviation systems and equipment and maintain Naval Air Reserve readiness. This training has a direct effect on improvement of Naval Air Reserve individual unit readiness.

Services for this activity group, titled Contractor Field services (CFS), are provided by commercial/industrial companies which provide advice, liaison, on-the-job and classroom training to Naval Air Reserve activities aviation maintenance personnel in the installation, maintenance, repair and operation of all types of aviation systems and equipment.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
CSS	9,217	9,858	9,821	9,328	14,737	12,227
Total Program	9,217	9,858	9,821	9,328	14,737	12,227
				FY 1988	FY 1989	

B. Reconciliation of Increases and Decreases

1. FY 1988 Current Estimate	9,328
2. Pricing Adjustments	+345
A. Other Pricing Adjustments	(+345)

3. Program Increases	+3,209
A. Other Program Growth in FY 1989	(+3,209)
1) Workyear Increase Increase in workyears associated with attack, fighter, patrol and anti-sub aircraft.	+3,209
4. Program Decreases	-655
A. Other Program Decreases in FY 1989	(-655)
1) Workyear Decrease Decrease in workyears associated with rotary wing, electronic warfare, support equipment and other aircraft.	-655
5. FY 1989 Amended Estimate	12,227

Class of Aircraft	FY 1987		FY 1988		FY 1989	
	W/Y	\$000	W/Y	\$000	W/Y	\$000
Attack	19.3	1,811	17.3	1,669	23.3	2,240
Fighter	17.9	1,541	20.0	1,809	39.6	3,771
Patrol	17.9	1,359	11.7	932	21.0	1,711
Anti-Sub	8.4	493	8.0	491	9.0	569
Rotary Wing	6.5	382	8.0	469	5.0	269
Electronic Warfare	17.8	1,531	13.9	1,271	12.0	1,132
SE/CATE	2.4	231	6.0	612	6.0	626
Other	21.8	1,869	23.0	2,075	20.9	1,909
Total	112.0	9,217	107.9	9,328	136.8	12,227

IV. Personnel Summary

There are no military or civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 2 Depot Maintenance
Activity Group: Industrial/Stock Fund Refund

I. Description of Operations Financed. This activity group reflects either (1) funding to reimburse DoD industrial funds and stock funds for costs not recovered through customer rates or (2) refunds from industrial funds and stock funds, where applicable.

DoD industrial funds and stock funds operate under a rate stabilization policy established by the Secretary of Defense. Financial resources requested in various appropriated fund customer programs reflect the impact of approved stabilized rates. Changes to established rates are disruptive to both customer programs and industrial fund and stock fund operations. The Department executes its programs at established stabilized rates with additional reimbursement to, or refunds from industrial funds and stock funds, as appropriate.

The FY 1987 estimate reflects a refund from the stock fund equal to the amount appropriated by Congress.

The Committees on Appropriations are familiar with the Department's price stabilization policy. The Committees are cognizant of the fact that the Department will continue to execute programs at published prices and provide refunds to customer accounts.

II. Financial Summary (Dollars in Thousands)

II. Financial Summary (Dollars in thousands)							
A. Subactivity Breakout	FY 1987	FY 1988		FY 1989			Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate	
Stk Fund Refund (Fuel)	-66,500	0	0	0	0	0	0
Stk Fund Refund (Non-Fuel)	0	0	0	0	0	0	0
Total Program	-66,500	0	0	0	0	0	0

Activity Group: Industrial/Stock Fund Refund (Cont'd)

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
1. FY 1988 Current Estimate	0	
2. FY 1989 Amended Estimate		0

III. Performance Criteria

None for this activity group.

IV. Personnel Summary

There are no military or civilian personnel assigned to this activity group.

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 3 - Other Support

I. Description of Operations Financed.

This budget activity is subdivided into five components: base operations, maintenance of real property, Reserve management headquarters, Reserve recruiting activities and Reserve advertising activities. The base operations component provides funds to maintain and operate facilities and provide services and material to support Naval Reserve activities and units. This includes such functions as administration, supply, base communications, other engineering support, collateral equipment for new construction, and purchase and maintenance of training equipment, and the development and delivery of training systems and methodologies.

The maintenance of real property component provides funds to maintain, repair, and perform minor construction, as necessary, to ensure that the physical plants of Naval Reserve activities are capable of supporting their training, operational and administrative functions.

The management headquarters component provides for the operation of the headquarters of the Director of Naval Reserve and the Commander, Naval Reserve Force. Funds in this component pay for administrative support including: civilian salaries, consumable supplies, communication services, TAD, and the cost of maintaining headquarters spaces.

The Reserve recruiting and advertising activities provide for the necessary support of Naval Reserve recruiting efforts. The Naval Reserve assumed overall responsibility for Reserve recruiting in FY 1985 with associated funding transferring from the O&M,N to the O&M,NR appropriation. The continued emphasis on Reserve recruiting and advertising reflects initiatives designed to allow the Naval Reserve to meet Navy Manpower Mobilization System (NAHMOS) driven accession goals and to attract qualified and motivated personnel into the Naval Reserve.

Budget Activity: 3 - Other Support (Cont'd)

II. Financial Summary (Dollars in Thousands)

A. Activity Breakout	FY 1987	Budget Request	FY 1988		FY 1989		
			Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Base Operations	167,499	181,706	175,170	173,065	184,848	-9,795	175,053
Maint of Real Property	41,229	48,635	48,950	50,328	53,499	+826	54,325
Reserve Management Hdqtrs	6,471	6,476	6,279	6,296	6,651	-527	6,124
Reserve Recruiting Activities	11,801	12,815	10,154	11,450	12,841	-354	12,487
Reserve Advertising Activities	3,518	6,282	3,622	3,633	4,417	-12	4,405
Total Budget Activity	230,518	255,914	244,175	244,772	262,256	-9,862	252,394
B. Reconciliation of Increases and Decreases					FY 1988		FY 1989
1. FY 1988 President's Budget Request					255,914		
2. Congressional Adjustments					-11,739		
A. Inflation Reestimate						(-74)	
B. Travel						(-1,212)	
C. Base Operations Support						(-4,178)	
D. Maintenance of Real Property						(+509)	
E. Recruiting and Advertising						(-3,786)	
F. Advertising						(-1,291)	
G. Workyear Pricing						(-1,640)	
H. Expense/Investment						(-67)	

Budget Activity: 3 - Other Support (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1989

FY 1988

3. FY 1988 Appropriation

244,175

4. Pricing Adjustments

+1,292

A. FY 1988 Pay Raise

(+971)

1) Classified

+667

2) Wage Board

+304

B. Other Pricing Adjustments

(+321)

1) Health Benefits

+690

2) FERS

-369

5. Other Increases

+6,233

A. Programmatic Increases

(+6,233)

1) Recruiting

+599

Funds are realigned to provide the minimum level of recruiting support (OHNR) necessary to meet the accession requirements related to authorized Selected Reserve end strengths.

The intent of the Congress, through a funding reduction, to reduce growth in overall Naval Reserve recruiting resources, has been accommodated by reducing recruiter support workyears and military pay.

2) Whole Center Repair Project

+1,530

Increased major repair funding to support WCRP at Naval Reserve Center, Kansas City, MO.

06MNR

66

Budget Activity: 3 - Other Support (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988 FY 1989

3) Reserve Center Leasing +2,015

Increase in several Reserve Center leases. Current \$1.00 per year leases expire in FY 1988 and will be renewed at market prices.

4) FTS Service +496

Increase fully funds phone service requirements due to loss of FTS service. Initial transfer of funds from O&M,N prior to submission of FY 1988/1989 President's Budget insufficient to meet total requirements.

5) ADP +1,593

Increase for KFSS software development.

6. Other Decreases

-6,928

A. Programmatic Decreases (-6,928)

1) Base Operations -599

Funds are realigned from Base Operations to provide a minimum essential level of recruiting support funding.

2) Reduced Civilian Strength Levels -219

Reduction to achieve lower FY 1988 headquarters staffing levels mandated by the Goldwater-Nichols DOD Reorganization Act (PL 99-433).

Budget Activity: 3 - Other Support (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1989

FY 1988

3) Surface Training Program -4,070

Decrease in developmental costs for the Surface Training Program for Interactive Video, MPS Offload Training, Exportable Training, RAMP, Organizational Clothing, and general training requirements.

4) Contractor Support Services -900

Reduction to reflect efficient use of Contract Support Services consistent with the streamlined management of the acquisition and logistics support process.

5) FERS Participation -1,140

Adjustment to reflect reduced requirements associated with revised economic assumptions and participation rates to Federal Employees Retirement System (FERS).

7. FY 1988 Current Estimate

244,772

8. Pricing Adjustments

+6,374

A. Annualization of FY 1988 Direct Pay Raises (+607)

1) Classified

+403

2) Wage Board

+204

B. FY 1989 Direct Pay Raise

(+1,106)

1) Classified

+753

2) Wage Board

+353

C. Stock Fund

(-640)

1) Fuel

+1

2) Non-Fuel

-641

06MNR

68

Budget Activity: 3 - Other Support (Cont'd)

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
D. Industrial Fund Rates	(-155)	
E. Other Pricing Adjustments	(+5,456)	
1) Health Benefits	+230	
2) FERS	+293	
3) Other	+4,933	
9. Program Increases		+7,422
A. Base Operations	(+3,508)	
B. Maintenance of Real Property	(+2,537)	
C. Reserve Recruiting Activities	(+736)	
D. Reserve Advertising Activities	(+641)	
10. Program Decreases		-6,174
A. Base Operations	(-5,582)	
B. Maintenance of Real Property	(-257)	
C. Reserve Management Headquarters	(-329)	
D. Reserve Recruiting Activities	(-6)	
11. FY 1989 Amended Estimate		252,394

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 3 Other Support
Activity Group: Base Operations

I. Description of Operations Financed. Program supports the operation of six Naval Air Stations, two Naval Air Facilities, seven Naval Air Reserves, seven Naval Air Reserve Centers, sixteen Naval Reserve Readiness Commands, 235 Naval Reserve Centers and Facilities, one Naval Support Activity, the Naval Reserve Financial Information Processing Center, and the Naval Reserve Personnel Center. Their mission is to provide services and material in support of the Naval Reserve and other activities as designated by the Chief of Naval Operations.

The objectives of the Naval Reserve shore installations are to provide responsive services and support to Reserve forces and assigned activities; ensure updated capability for maintaining personnel skill proficiencies; maintain and protect investments in facilities, equipment, weapons and weapon systems; provide adequate personnel services; meet acceptable standards of habitability, health and safety in living and work areas; and effectively manage resources for proper and efficient utilization, including the protection/enhancement of the environment and conservation of natural resources.

The Selected Reserve training objective is currently the most challenging and dynamic of the Base Operations missions. In response to a 1983 Navy Inspector General assessment of surface reserve training, the Navy Reserve has embarked on a multi-faceted series of initiatives to improve the mobilization readiness of personnel assigned to non-Naval Reserve force (non-hardware) units. The Surface Program to Upgrade Readiness (SPUR) is an extension of the Surface Reserve Training Plan begun in FY 1986. SPUR blends vastly improved training methods, better allocation of training resources and restructuring of mobilization billet requirements to produce trained, rather than trainable, Reservists and a more ready Naval Reserve. Development of the new instructional tools and tracking system for all Navy Enlisted Classification/Navy Officer billet Code (NECs/NOBCs) will continue through FY 1988 and implementation will be complete by the end of FY 1990.

Additional services funded within this activity group are: the screening and assignment of Reserve personnel for mobilization; administration of personnel and medical records for non-participating Fleet Reserve and USN/USNR retired personnel; maintenance of retirement point credits; managing the Pretrained Individual Manpower Management System (PIMMS); recording all Naval Reservist participation in drills and maintenance of the Reserve Field Reporting System (RESFIRST); distribution control of enlisted personnel on

Activity Group: Base Operations (Cont'd)

active duty in the Training and Administration of the Naval Reserve (TAR) program; processing of Inactive Reserve retirements, resignations and other discharges; management of the Inactive Manpower and Personnel Information System (IMAPNIS) which involves collection, processing, maintenance, and dissemination of manpower and personnel information of the Inactive Force; and other Base Operations Support.

Funds provide material support, facilities, services and logistic support to Naval Reserve combat and combat support units. The operations financed, which are grouped under the major elements of Utility Operations, Personnel Operations, Base Operations-Mission, and Base Operations-Ownership, are composed of:

- (1) Operating Aircraft Intermediate Maintenance Departments (AIMDs). (Base Ops-Mission)
- (2) Administrative functions related to financial/resource management and automatic data processing (ADP) functions. (Base Ops-Ownership)
- (3) Supply functions/tasks including procurement, receipt, storage and issue of bulk liquid fuel. (Base Ops-Mission)
- (4) Maintenance of material functions such as major/minor repair and preventive maintenance of service craft. (Base Ops-Mission)
- (5) Medical and dental functions. (Personnel Ops)
- (6) Base operations functions/tasks such as security, air operations and port services. (Base Ops-Mission)
- (7) Purchase, produce and distribute utilities. (Utility Ops)
- (8) Other engineering support includes Public Works Departments administration, engineering services, custodial services, refuse/garbage collection and disposal, snow removal, movement of personal effects for military families, equipment inspection and military family housing administration. (Base Ops-Ownership)
- (9) Personnel support; e.g., operation of food service facilities, BOQs, BEQs, Human Goals Programs, military Family Service Centers and libraries. (Personnel Ops)
- (10) Operation and maintenance of Civil Engineering Support Equipment (CESE). (Base Ops-Mission)
- (11) Purchase and maintenance of training equipment. (Base Ops-Mission)

Activity Group: Base Operations (Cont'd)

(12) Development and maintenance of training systems, methodologies and curricula to meet the total training requirements of the Naval Reserve. (Base Ops-Mission)

(13) Maintenance of electronic equipment. (Base Ops-Mission)

(14) Procurement, installation and/or relocation of equipment and furnishings necessary to initially outfit those facilities/structures being constructed or modernized under the Military Construction, Navy Reserve Program. (Base Ops-Mission)

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988			FY 1989		
		Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Utility Operations	15,925	16,968	16,696	16,426	17,855	-198	17,657
Personnel Operations	9,329	11,455	10,955	9,292	11,877	-1,521	10,356
Base Ops - Mission	45,541	58,122	55,352	47,342	58,597	-11,214	47,383
Base Ops - Ownership	87,706	84,507	82,072	89,155	85,387	+2,781	88,168
Base Communications	8,998	10,654	10,095	10,850	11,132	+357	11,489
Total Program	167,499	181,706	175,170	173,065	184,848	-9,795	175,053

+1,231

+1,064

+41

-987

+639

+1,988

B. Reconciliation of Increases and Decreases

1. FY 1988 Current Estimate

173,065

FY 1989

2. Pricing Adjustments

+4,062

A. Annualization of FY 1988 Direct Pay Raises

(+506)

1) Classified

+359

2) Wage Board

+147

B. FY 1989 Direct Pay Raise

(+922)

1) Classified

+666

2) Wage Board

+256

Activity Group: Base Operations (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988 FY 1989

C. Stock Fund	(-600)	
1) Non-Fuel	-600	
D. Industrial Fund Rates	(-161)	
E. Other Pricing Adjustments	(+3,395)	
1) Health Benefits	+201	
2) PERS	+231	
3) Other	+2,963	
3. Program Increases		+3,508
A. Annualization of FY 1988 Increases	(+2)	
1) Engineering Support	+2	
Provides support for full year janitorial requirements.		
B. Other Program Growth in FY 1989	(+3,506)	
1) Contract Rate Increase	+101	
Increased Military Service Obligation (MSO) will result in increased Naval Reserve population (Ready and Standby Reserve) and commensurate increase in the records processing effort.		
2) Printing	+63	
Increase to support additional printing requirements. The additional funding will supply the larger amounts of drill chits, unit diaries and annual questionnaires processed by NAVRESPERSCEN.		

Activity Group: Base Operations (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988 FY 1989

- | | |
|--|--------|
| 3) Equipment Upgrade | +53 |
| Desk top microcomputers purchased in FY 1985
require a system upgrade in FY 1989. | |
| 4) Reserve Center Leasing | +729 |
| Increase in several Reserve Center leases.
Current \$1.00 per year leases expire in
FY 1988 and will be renewed at market prices. | |
| 5) Naval Reserve Courseware | +1,024 |
| Increased development of Reserve-oriented
instructional courseware that will: teach
new skills; review previously-learned skills;
practice skills in a work setting; and maintain
achieved skills. Courseware development
supports training requirements identified
in Naval Training Plans (NTPs), Qualification
Study Packages (QSPs) and the Surface Reserve
Training plan. | |
| 6) Utilities | +223 |
| Construction projects completed in FY 1988
will require utilities for an additional
268,000 square feet of office space. | |
| 7) Medical Program | +139 |
| Continuing Medical Education (CME) will provide
for refresher training tuition reimbursement
for Selected Reservists in medical programs.
Increase is because of increased numbers
of skilled medical personnel acquired in
FY 1988 and FY 1989. | |

Activity Group: Base Operations (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1989

FY 1988

+128

8) Collateral Equipment
Increased collateral equipment outfitting
effort based upon estimated MCNR project
completion.

+3

9) Custodial Contracts
Increase in custodial contracts, insect and
rodent control, for newly established COOP
sites at Corpus Christi, TX and New York, NY.

+1,043

10) ADP
Increase for RTSS software development.

-5,582

4. Program Decreases

(-54)

-54

A. Annualization of FY 1988 Decreases

1) Decreased Paid Days
Decrease due to two less paid days
in FY 1989 than in FY 1988.

(-2,922)

-1,522

B. One-Time FY 1988 Costs

1) Records Consolidation
Decrease for one-time project at
NAVRESPERCEN headquarters.

O&MNR

75

Activity Group: Base Operations (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1989

FY 1988

-1,400

- 2) IRR Recall
Decrease reduced support funding
because of actual experience and
elimination of requirement for
medical testing.

(-2,606)
-273

- C. Other Program Decreases in FY 1989
 - 1) Efficiency Review
Decrease due to projected savings
based on civilian manpower efficiency
reviews.

-440

- 2) Decreased Paid Days
Reduced civilian personnel costs for
two less compensatory days.

-1,893

- 3) Contractor Support Services
Decrease in cost of services required
from NARDAC New Orleans.

175,053

5. FY 1989 Amended Estimate

Activity Group: Base Operations (Cont'd)

III. Performance Criteria

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Base Operations (\$000)	167,499	173,065	175,053
Operations of Utilities (\$000)	15,925	16,426	17,657
Energy (MBTU)	1,024,753	1,048,882	1,048,690
Non-Energy (KGAL)	781,409	781,195	783,195
Personnel Operations (\$000)	9,329	9,292	10,356
Bachelor Housing (\$000)	908	1,180	1,223
No. of Officer Quarters	1,028	1,028	1,028
No. of Enlisted Quarters	4,197	4,197	4,197
Other Personnel Support (\$000)	2,867	2,979	3,602
Population Served, Total	27,860	32,230	32,230
(Military E/S)	25,093	29,459	29,459
(Civilian E/S)	2,767	2,771	2,771
Morale, Welfare & Recreation (\$000)	3,332	2,385	2,458
Population Served (Total)	78,016	86,032	91,148
(Military, E/S)	25,093	27,754	29,459
(Civ/Dep, E/S)	52,923	58,278	61,689
Base Operations-Mission (\$000)	45,541	47,342	47,383
Retail Supply Oper (\$000)	6,979	7,083	7,400
Line Items Carried (000)	0	143	143
Receipts (000)	62	63	77
Issue (000)	108	110	124
Maint of Instal Equip (\$000)	1,459	1,625	1,737

Activity Group: Base Operations (Cont'd)

III. Performance Criteria (Cont'd)

Other Base Services (\$000)	FY 1987	FY 1988	FY 1989
No. of Motor Vehicles Total	25,753	26,780	26,548
(Owned)	1,783	1,791	1,794
(Leased)	1,642	1,648	1,649
	141	143	145
Base Operation-Aircraft (\$000)	2,484	2,562	1,974
Ownership Operations (\$000)	87,706	89,155	88,168
Other Engineering Sup (\$000)	21,990	25,963	26,688
Administration (\$000)	32,053	35,367	33,650
Number of Bases, Total	296	302	302
(CONUS)	296	302	302
(O/S)	0	0	0
Base Communications	8,998	10,850	11,489
Number of Instruments	16,901	16,986	17,111
Number of Mainlines	9,373	9,508	9,633
Average Daily Message Traffic	5,429	5,475	5,500

IV. Personnel Summary

Military End Strength	FY 1987	FY 1988	FY 1989
Officer	195	107	101
Enlisted	1,433	1,405	1,260
Total	1,628	1,512	1,361

Activity Group: Base Operations (Cont'd)

IV. Personnel Summary (Cont'd)

<u>FTS End Strength</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Officer	727	1,112	1,105
Enlisted	6,172	7,218	7,210
Total	<u>6,899</u>	<u>8,330</u>	<u>8,315</u>
 <u>Civilian End Strength</u>	 <u>2,553</u>	 <u>2,621</u>	 <u>2,560</u>
USDH	2,553	2,621	2,560

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 3 Other Support

Activity Group: Maintenance of Real Property (MRP)

I. Description of Operations Financed. This activity group includes maintenance and repair/minor construction of real property for the operation of six Naval Air Stations, two Naval Air Facilities, seven Naval Air Reserves, seven Naval Air Reserve Centers, sixteen Naval Reserve Readiness Commands, 235 Naval Reserve Centers and Facilities, one Naval Support Activity, the Naval Reserve Financial Information Processing Center, and the Naval Reserve Personnel Center. Their mission is to provide services and material in support of the Naval Reserve and other activities as designated by the Chief of Naval Operations. The objectives are to provide adequate and viable facilities for shore base readiness, protection of current plant investments and to continue to provide a physical environment conducive to recruiting, training and retaining skilled and motivated personnel. The strategy used by the Naval Reserve to most efficiently apply MRP resources is the Whole Center Repair Program (WCRP), which implements the objectives of Navy's Shore Facilities Life Extension Program (Shore FLEP). The WCRP program strategy is to correct all architectural, structural, electrical, plumbing, mechanical and safety deficiencies at each selected Air site or Reserve Center. By this method, the useful life of these buildings can be extended until Military Construction Naval Reserve funds can accommodate replacement.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988			FY 1989			Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	
Facilities Management	19,562	22,407	22,213	20,096	24,652	-3,687	20,965	+869
Major Repair Projects	17,604	21,547	22,056	25,540	23,717	+4,510	28,227	+2,687
Minor Construction	3,746	4,475	4,475	4,486	4,764	+3	4,767	+281
Minor Construction Physical Security	317	206	206	206	366	0	366	+160
Total Program	41,229	48,635	48,950	50,328	53,499	+826	54,325	+3,997

<u>B. Reconciliation of Increases and Decrease</u>	<u>FY 1988</u>	<u>FY 1989</u>
1. FY 1988 Current Estimate	50,328	
2. Pricing Adjustments		+1,717
A. Annualization of FY 1988 Direct Pay Raises	(+63)	
1) Classified	+6	
2) Wage Board	+57	
B. FY 1989 Direct Pay Raise	(+110)	
1) Classified	+13	
2) Wage Board	+97	
C. Stock Fund	(+7)	
1) Fuel	+1	
2) Non-Fuel	+6	
D. Industrial Fund Rates	(+10)	
E. Other Pricing Adjustments	(+1,527)	
1) Health Benefits	+15	
2) FERS	+34	
3) Other	+1,478	
3. Program Increases		+2,537
A. Annualization of FY 1988 Increases	(+3)	
1) Increase to provide for recurring maintenance costs at newly established COOP sites.	+3	
B. One-Time FY 1989 Costs	(+190)	
1) Construction of waterfront and administrative facilities in support of newly established COOP sites as listed:	+190	
Corpus Christi, TX	+95	
New York, NY	+95	

Activity Group: Maintenance of Real Property (Cont'd)

B. Reconciliation of Increases and Decreases

FY 1988

FY 1989

C. Other Program Growth in FY 1989 (+2,344)

+1,401

1) Service Life Extension Program

This growth encompasses major renovations to improve the habitability of two bachelor quarters and six VCRP's at high-criticality investment-category training facilities.

2) Whole Center Repair Projects +943

Repair projects involving medium criticality investment category community buildings; morale, welfare and recreation buildings; and administrative buildings which will improve the overall training environment and quality of life for Naval Reservists.

4. Program Decreases

-257

A. One-Time FY 1988 Costs (-197)

-197

1) COOP Sites

Construction and major repairs of waterfront and administrative facilities in support of established COOP sites as listed:

Boston, MA -99

Lake Charles, LA -98

Activity Group: Maintenance of Real Property (Cont'd)

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
B. Other Program Decreases in FY 1989		
1) Decreased Paid Days		(-60)
Civilian personnel funding decreased		-60
for two less compensatory days.		

5. FY 1989 Amended Estimate 54,325

III. Performance Criteria

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
A. Backlog, Maintenance and Repair (\$000)	81,100	75,500	67,600
B. Total Buildings, (KSF)	18,839	19,393	19,438

IV. Personnel Summary

Military End Strength

There are no military personnel assigned to this activity group.

Civilian End Strength

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
USDH	266	267	238

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 3 Other Support
Activity Group: Reserve Management Headquarters

I. Description of Operations Financed. Program encompasses the operation of the Director of Naval Reserve (Office of the Chief of Naval Operations) and the Commander, Naval Reserve Force (New Orleans, La.) headquarters. These headquarters provide policy, control, administration, and management direction, including the management of all resources (manpower, hardware, facilities, and funding) assigned to effect an optimum training posture and mobilization readiness. Funding provides civilian salaries and administrative support, including consumable supplies, office services support and travel.

II. Financial Summary (dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
Reserve Mgmt Hdqts - COMNAVRESFOR	5,952	5,872	5,694	5,923	6,023	5,841
Reserve Mgmt Hdqts - DIRNAVRES	519	604	585	373	628	283
Total Program	6,471	6,476	6,279	6,296	6,651	6,124
						-172
B. <u>Reconciliation of Increases and Decreases</u>						
1. FY 1988 Current Estimate					FY 1988	FY 1989
					6,296	
2. Pricing Adjustments						+157
A. Annualization of FY 1988 Direct Pay Raises				(+22)		
1) Classified				+22		
B. FY 1989 Direct Pay Raise				(+55)		
1) Classified				+55		
C. Stock Fund				(+1)		
1) Non-Fuel				+1		

Activity Group: Reserve Management Headquarters (Cont'd)

<u>B. Reconciliation of Increases and Decreases</u>	<u>FY 1988</u>	<u>FY 1989</u>
D. Industrial Fund Rates	(-3)	
E. Other Pricing Adjustments	(+82)	
1) Health Benefits	+11	
2) FERS	+26	
3) Other	+45	
3. Program Decreases		-329
A. Annualization of FY 1988 Decreases	(-127)	
1) Reduced Civilian Strength Levels	-127	
Reduction to achieve lower FY 1988		
headquarters staffing levels mandated		
by the Goldwater-Nichols DOD		
Reorganization Act (PL 99-433).		
B. Other Program Decreases in FY 1989	(-202)	
1) Reduced Civilian Strength Levels	-174	
Further reduction in FY 1989 to attain		
headquarters staffing levels mandated		
by Goldwater-Nichols DOD Reorganization		
Act (PL 99-433).		
2) Decreased Paid Days	-28	
Reduced civilian personnel costs for two		
less compensatory days.		
4. FY 1989 Amended Estimate		6,124

Activity Group: Reserve Management Headquarters (Cont'd)

III. Personnel Summary

<u>Military End Strength</u>			
Officer	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Enlisted	17	11	11
Total	5	6	6
	<u>22</u>	<u>17</u>	<u>17</u>
 <u>FTS End Strength</u>			
Officer	162	184	184
Enlisted	81	68	122
Total	<u>243</u>	<u>252</u>	<u>306</u>
 <u>Civilian End Strength</u>			
	<u>143</u>	<u>135</u>	<u>135</u>
 USDH	143	135	135

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 3 Other Support
Activity Group: Reserve Recruiting Activities

I. Description of Operations Financed. Recruiting Activities provide for the operation and maintenance funding necessary to support: 1,807 military personnel and salaries of 45 civilian personnel assigned to recruiting and recruiting support billets under the Commander, Naval Reserve Force; the recruiting support costs at over 270 facilities located in all 50 States; efforts to recruit special categories of officer and enlisted personnel for aviation, surface warfare, construction battalions, medical units, and Sea and Air Mariner personnel; and travel, lodging, and subsistence costs of new recruits processed by the Military Entrance Processing Stations.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		Change FY 88/89
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
Recruiting Activities	11,801	12,815	10,154	11,450	12,841	12,487
Total Program	11,801	12,815	10,154	11,450	12,841	12,487
						-354
						-354
						+1,037
						+1,037
B. Reconciliation of Increases and Decreases						
1. FY 1988 Current Estimate					FY 1988	FY 1989
					11,450	
2. Pricing Adjustments						+307
A. Annualization of FY 1988 Direct Pay Raise				(+16)		
1) Classified				+16		
B. FY 1989 Direct Pay Raise				(+19)		
1) Classified				+19		
C. Stock Fund				(-48)		
1) Non-Fuel				-48		

Activity Group: Reserve Recruiting Activities (Cont'd)

B. Reconciliation of Increases and Decreases

	FY 1988	FY 1989
D. Other Pricing Adjustments	(+320)	
1) Health Benefits	+3	
2) FERS	+2	
3) Other	+315	

3. Program Increases

+736

A. Other Program Growth in FY 1989

(+736)

1) OSAM Increased Accessions
Increase in Officer Sea and Air Mariner
(OSAM) recruiting goal in order to attain
increased Selected Reserve officer billet
requirements.

+178

2) Software Development
Software development to integrate existing
Recruiting management software programs,
including : Personalized Recruiting for
Immediate and Delayed Enlistments-Reserve
(PRIDE-R), Recruiting Electronic Data
Processing Standard User Logistics Tracking
(RESULTS) and Leads Tracking. Integration
is crucial to the coordinated recruitment
of highly-specialized rating accession
requirements, especially those for Physician
and Nurse skills.

+558

4. Program Decreases

-6

A. Other Program Decreases in FY 1989

(-6)

1) Decreased Paid Days
Civilian personnel costs due to two
less compensatory days.

-6

Activity Group: Reserve Recruiting Activities (Cont'd)

B. Reconciliation of Increases and Decreases

5. FY 1989 Amender' Estimate

	<u>FY 1988</u>	<u>FY 1989</u>
		12,487

II. Performance Criteria and Evaluation

ENLISTED NON PRIOR SERVICE REQUIREMENTS

Number of Accessions:

Enlisted SEA/AIR MARINER (SAM)	<u>FY 1988</u>	<u>FY 1989</u>
Officer SEA/AIR MARINER (OSAM)	6,075	5,500
	350	436

ENLISTED SELRES REQUIREMENTS (USNR CADRE)

Number of Accessions:

Navy Veteran (NAVET) (MOD A/O)	<u>FY 1988</u>	<u>FY 1989</u>
(MOD B)	22,004	21,382
Other Service Veteran (OSVET)	5,322	4,991
Advanced Pay Grade (APG) (prior service)	1,575	1,288
Advanced Pay Grade (APG) (non prior service)	1,339	1,094
	1,300	1,162

TOTAL

	<u>FY 1988</u>	<u>FY 1989</u>
	37,965	35,853

OFFICER SELRES REQUIREMENTS

Number of Accessions:

Veteran Officer Affiliations	<u>FY 1988</u>	<u>FY 1989</u>
Direct Appointments	6,427	5,817
	1,748	1,454

TOTAL

	<u>FY 1988</u>	<u>FY 1989</u>
	8,175	7,271

ACTIVE DUTY PRIOR SERVICE REQUIREMENT

Number of Accessions:

Enlisted	
Training and Administration of Reserves (TAR)	1,657
Officer	
Training and Administration of Reserves (TAR)	101

	<u>FY 1988</u>	<u>FY 1989</u>
	594	1,803
	137	116

REFERRAL REQUIREMENTS

Referral Goal:

	<u>FY 1988</u>	<u>FY 1989</u>
	18,800	18,800

Activity Group: Reserve Recruiting Activities (Cont'd)

III. Personnel Summary

<u>Military End Strength</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Officer	4	0	0
Enlisted	63	0	0
Total	67	0	0
 <u>FTS End Strength</u>			
Officer	133	196	196
Enlisted	1,347	1,739	1,611
Total	1,480	1,935	1,807
 <u>Civilian End Strength</u>			
USDH	21	45	45
	21	45	45

Department of the Navy
Operation and Maintenance, Navy Reserve

Budget Activity: 3 Other Support
Activity Group: Reserve Advertising Activities

I. Description of Operations Financed. The Naval Reserve advertising program is built around a national plan, complemented by local advertising and an active public service campaign. Included in the overall advertising strategy is a media campaign targeted to include minority audiences with the objective of increasing the number of minority accessions. The Naval Reserve relies on a media mix that includes radio, paid printed advertising in magazines and newspapers, direct mail campaigns and recruiting booklets, pamphlets and posters to increase public awareness, portray opportunities and generate leads. The advertising effort is aimed at three program areas and the media mix is as follows:

- A. General Enlisted (Veteran and non-prior service) - radio, placements in general circulation and high school magazines and direct mail.
- B. Officer Programs (Veteran and Direct Appointment) - selected magazine and newspaper placements and direct mail.
- C. Healing Arts - magazines, placements in selected healing arts journals and direct mail.

In addition to the program areas supported by national advertising, this effort supports officer and enlisted Training and Administration of Reserves (TAR), Sea and Air Mariner (SAM) and Officer Sea and Air Mariner (OSAM), and critical officer and enlisted programs through point-of-sale literature and field advertising funding. The advertising for each program area is designed to reach a specific target audience and the media mix is adjusted for maximum impact.

II. Financial Summary (Dollars in Thousands)

A. Subactivity Breakout	FY 1987	FY 1988		FY 1989		
		Budget Request	Approp	Current Estimate	Initial Estimate	Amended Estimate
Advertising Activities	3,518	6,282	3,622	3,633	4,417	4,405
Total Program	3,518	6,282	3,622	3,633	4,417	4,405
					-12	-12
						+772
						+772

Activity Group: Reserve Advertising Activities

B. Reconciliation of Increases and Decreases

	<u>FY 1988</u>	<u>FY 1989</u>
1. FY 1988 Current Estimate	3,633	
2. Pricing Adjustments		+131
A. Industrial Fund Rates	(-1)	
B. Other Pricing Adjustments	(+132)	
1) Other	+132	
3. Program Increases		+641
A. Other Program Growth in FY 1989	(+641)	
1) Collateral Sales Material	+14	
Increase will provide additional collateral sales materials in support of the OSAM Program.		
2) Media Coverage	+627	
Increase will expand media coverage for the Physician and Nurse program accession requirements to include: full page advertising in over 15 medical journals; and one extra direct mail campaign for physicians and nurses.		
4. FY 1989 Amended Estimate		4,405

Activity Group: Reserve Advertising Activities

III. Performance Criteria

ADVERTISING ACTIVITIES

	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
Direct Mailings			
No. of Mailings	12	7	16
Impressions (#000)	5,000	7,000	13,000
Newspapers			
No. of Insertions	2,500	3,750	2,900
Impressions (#000)	93,750	117,187	105,000
Radio			
No. of Spots	5,000	5,600	3,200
Impressions (#000)	65,500	90,000	70,000
Magazines			
No. of Magazines	15	0	16
Impressions (#000)	17,000	0	18,000
TV			
No. of Spot	2,500	0	14,000
Impressions (#000)	2,000	0	22,000
Indoor Electronics			
Billboards	50	100	75
Impressions (#000)	22,500	45,000	30,000

NOTE: The previous figures represent performance criteria for Navy media placement dollars on both a national and local basis. In addition to the media represented above, advertising dollars also fund certain support requirements such as public service advertising production, agency creative production, collateral sales material, marketing research and commercial advertising agency labor and overhead.

AD-A195 774

DEPARTMENT OF THE NAVY JUSTIFICATION OF ESTIMATES
AMENDED FISCAL YEAR 198 (U) OFFICE OF THE COMPTROLLER
(NAVY) WASHINGTON DC FEB 88

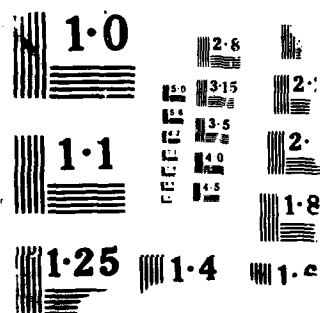
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9 '88



Activity Group: Reserve Advertising Activities

III. Performance Criteria (Cont'd)

Direct Mailings	FY 1987	FY 1988	FY 1989
Physicians - mailings	3	2	4
Physicians - impressions (000)	555	320	2,200
Nurse - mailings	2	2	4
Nurse - impressions (000)	560	520	5,000
SAM - mailings	3	1	3
SAM - impressions (000)	11,900	10,000	11,900
Veteran - mailings	2	2	3
Veteran - impressions (000)	650	700	900
TAR Enlisted - mailings	2	2	2
TAR Enlisted - impressions (000)	400	400	400
TAR Officer - mailings	0	0	1
TAR Officer - impressions (000)	0	0	100
General Officers - mailings	0	0	1
General Officers - impressions (000)	0	0	250
RAMP - mailing	0	0	2
RAMP - impressions (000)	0	0	750
High School Seniors - mailings	0	0	0
High School Seniors - impressions	0	0	0
Total mailings	12	9	20
Total Impressions	14,065	2,940	21,500

IV. Personnel Summary

There are no military or civilian personnel assigned to this activity group. Personnel who administer this program are included in the Reserve Recruiting Activity Group.

Operation and Maintenance, Navy Reserve
Summary of Price and Program Changes - FY 1988
(\$ in Thousands)

	FY 1987 Program	Price Growth		Program Growth	FY 1988 Program
		Percent	Amount		
Civilian Personnel Costs					
101 Exec, Gen & Spec Schedules	48,285		2,159	3,298	53,742
103 Wage Board	25,708		936	-1,087	25,557
106 Benefits to Former Employees	17		0	-17	0
TOTAL Civilian Personnel Costs	74,010		3,095	2,194	79,299
Travel					
301 Travel Per Diem	11,998		0	-1,781	10,217
302 Other Travel Costs	7,992	3.7	296	-608	7,680
303 MAC Passenger	7	-1.5	0	2	9
TOTAL Travel	19,997		296	-2,387	17,906
Stock Fund Supplies & Materials					
401 DFSC Fuel	134,667		-25,446	14,493	123,714
412 Navy Managed Stock Fund Purchases	204,649	-6.5	-13,299	12,016	203,366
415 DLA Managed Stock Fund Purchases	16,043	.6	95	1650	17,788
416 GSA Managed Stock Fund Purchases	4,897	6.0	294	657	5,848
491 Stock Fund Direct Reimbur: Fuel	-66,500		66,500	0	0
492 Stock Fund Direct Reimbur: Non Fuel	0		0	0	0
TOTAL Stock Fund Supplies & Material	293,756		28,144	28,816	350,716

	FY 1987 Program	Price Growth		Program Growth	FY 1988 Program
		Percent	Amount		
Stock Fund Equipment					
503 Navy Managed Stock Fund Purchases	8,092	-6.5	-525	337	7,904
506 DLA Managed Stock Fund Purchases	3,041	.6	17	418	3,476
507 GSA Managed Stock Fund Purchases	3,588	6.0	216	631	4,435
TOTAL Stock Fund Equipment	14,721		-292	1,386	15,815
Industrial Fund Purchases					
602 Army Depot Sys Cmd - Maintenance	3,221		-220	2,526	5,527
612 Naval Air Laboratories	394	4.7	19	10	423
613 Naval Air Revork Facilities	88,422	-7.6	-6,721	-17,376	64,325
614 SPAWAR Laboratory Center	3,274	1.9	63	361	3,698
615 Navy Data Automation Center	5,663	-5	-28	-63	5,572
620 Military Sealift Cmd - Flt Aux Ships	42	-13.3	0	-42	0
630 Naval Research Laboratory	0	0.7	0	263	263
632 Naval Ordnance Facilities	8,238	-10.5	-860	2,472	9,850
633 Naval Publication & Printing Svc	1,844	5.5	102	713	2,659
634 Naval Public Works Ctr - Utilities	5,371	2.0	107	1,552	7,030
635 Naval Public Works Ctr - Pub Works	404	2.0	8	43	455
637 Naval Shipyards	26,223	2.2	575	-4,367	22,431
661 Depot Maintenance Air Force - Organic	1,618	2.0	32	5,583	7,233
671 Communications Services	353	4.3	15	-3	365
TOTAL Industrial Fund Purchases	145,067		-6,908	-8,328	129,831
Transportation					
701 MAC Cargo	327	-13.6	-44	0	283
751 Commercial Land	15	3.7	0	2	17
761 Other Transportation	1,302	3.7	49	-409	942
TOTAL Transportation	1,644		5	-407	1,242

	FY 1987 Program	Price Growth		Program Growth	FY 1988 Program
		Percent	Amount		
Other Purchases					
913 Purchased Utilities (Non-IF)	15,503	3.7	573	640	16,716
914 Purchased Communications (Non-IF)	10,678	3.7	395	1,157	12,230
915 Rents	5,282	3.7	195	252	5,729
920 Supplies & Materials (Non-SF)	17,150	3.7	632	-1,364	16,418
921 Printing & Reproduction	1,042	3.7	39	295	1,376
922 Equip Maintenance by Contract	44,751	3.7	1,655	2,129	48,535
923 Facility Maintenance by Contract	26,436	3.7	978	6,827	34,241
925 Equipment Purchases (Non-SF)	9,532	3.7	351	-3,228	6,655
928 Ship Maintenance by Contract	66,816	3.7	2,471	14,182	83,469
929 Aircraft Revork by Contract	51,122	3.7	1,891	-25,979	27,034
930 Other Depot Maintenance	6,786	3.7	251	-1,125	5,912
933 Prof & Mgmt Services by Contract	4,382	3.7	162	-883	3,661
934 Con Eng & Tech Svc - CSS	9,944	3.7	367	-222	10,089
987 Other Intragovernmental	18,509	3.7	686	-3,382	15,813
989 Other Contracts	43,545	3.7	1,611	2,053	47,209
TOTAL Other Purchases	331,478		12,257	-8,648	335,087
GRAND TOTAL	880,673		36,597	12,626	929,896

Operation and Maintenance, Navy Reserve
Summary of Price and Program Changes - FY 1989
(\$ in Thousands)

	FY 1988 <u>Program</u>	Price Growth		Program <u>Growth</u>	FY 1989 <u>Program</u>
		<u>Percent</u>	<u>Amount</u>		
Civilian Personnel Costs					
101 Exec, Gen & Spec Schedules	53,742		1,545	-2,104	53,183
103 Wage Board	25,557		678	-1,358	24,877
106 Benefits to Former Employees	0		0	0	0
TOTAL Civilian Personnel Costs	79,299		2,223	-3,462	78,060
Travel					
301 Travel Per Diem	10,217		0	78	10,295
302 Other Travel Costs	7,680	3.7	284	-35	7,929
303 MAC PASSENGER	9	6.2	0	1	10
TOTAL Travel	17,906		284	44	18,234
Stock Fund Supplies & Materials					
401 DFSC Fuel	123,714		0	2,613	126,327
412 Navy Managed Stock Fund Purchases	203,366	-13.3	-27,047	11,121	187,440
415 DLA Managed Stock Fund Purchases	17,788	2.6	463	280	18,531
416 GSA Managed Stock Fund Purchases	5,848	2.0	117	-383	5,582
491 Stock Fund Direct Reimbur: Fuel	0		0	0	0
492 Stock Fund Direct Reimbur: Non Fuel	0		0	0	0
TOTAL Stock Fund Supplies & Materials	350,716		-26,467	13,631	337,880

	FY 1988 Program	Price Growth		Program Growth	FY 1989 Program
		Percent	Amount		
Stock Fund Equipment					
503 Navy Managed Stock Fund Purchases	7,904	-13.3	-1,052	816	7,668
506 DLA Managed Stock Fund Purchases	3,476	2.6	89	59	3,624
507 GSA Managed Stock Fund Purchases	4,435	2.0	88	99	4,622
TOTAL Stock Fund Equipment	15,815		-875	974	15,914
Industrial Fund Purchases					
602 Army Depot Sys Cmd - Maintenance	5,527		155	-3,143	2,539
612 Naval Air Laboratories	423	4.4	19	0	442
613 Naval Air Rework Facilities	64,325	-6.1	-3,923	18,842	79,244
614 SPAWAR Laboratory Center	3,698	0.6	22	-237	3,483
615 Navy Data Automation Center	5,572	-4.0	-223	-894	4,455
620 Military Sealift Cmd - Flt Aux Ships	0	5.2	0	0	0
630 Naval Research Laboratory	263	-2.5	-6	-172	85
632 Naval Ordnance Facilities	9,850	-0.8	-74	2,505	12,281
633 Naval Publication & Printing Svc	2,659	-0.8	-21	-90	2,548
634 Naval Public Works Ctr - Utilities	7,030	3.0	210	1,621	8,861
635 Naval Public Works Ctr - Pub Works	455	3.0	13	1	469
637 Naval Shipyards	22,431	-0.1	-20	-1,703	20,708
661 Depot Maintenance Air Force - Organic	7,233	3.7	267	-6,240	1,260
671 Communications Services	365	5.0	18	1	384
TOTAL Industrial Fund Purchases	129,831		-3,563	10,491	136,759
Transportation					
701 MAC Cargo	283	16.0	45	0	328
751 Commercial Land	17	3.7	0	0	17
761 Other Transportation	942	3.7	35	-13	964
TOTAL Transportation	1,242		80	-13	1,309

	FY 1988 Program	Price Growth		Program Growth	FY 1989 Program
		Percent	Amount		
Other Purchases					
913 Purchased Utilities (Non-IF)	16,716	3.7	618	895	18,229
914 Purchased Communications (Non-IF)	12,230	3.7	450	-2	12,678
915 Rents	5,729	3.7	212	4	5,945
920 Supplies & Materials (Non-SP)	16,418	3.7	609	211	17,238
921 Printing & Reproduction	1,376	3.7	48	9	1,433
922 Equip Maintenance by Contract	48,535	3.7	1,796	179	50,510
923 Facility Maintenance by Contract	34,241	3.7	1,266	3,188	38,695
925 Equipment Purchases (Non-SP)	6,655	3.7	244	-104	6,795
928 Ship Maintenance by Contract	83,469	3.7	3,088	44,605	131,162
929 Aircraft Revork by Contract	27,034	3.7	1,001	-8,853	19,182
930 Other Depot Maintenance	5,912	3.7	218	-56	6,074
933 Prof & Mgmt Services by Contract	3,661	3.7	135	-1,070	2,726
934 Con Eng & Tech Svc - CSS	10,089	3.7	373	2,537	12,999
987 Other Intragovernmental	15,813	3.7	587	-2,461	13,939
989 Other Contracts	47,209	3.7	1,746	4,484	53,439
TOTAL Other Purchases	335,087		12,391	43,566	391,044
GRAND TOTAL	929,896		-15,927	65,231	979,200

Summary of Increases and Decreases
Operation and Maintenance, Navy Reserve

1. FY 1988 President's Budget		957,115
2. Congressional Adjustments		-27,219
3. FY 1988 Appropriation		929,896
4. FY 1988 Current Estimate		929,896
5. Pricing Adjustments		-15,927
A. Annualization of FY 1988 Direct Pay Raise	(+607)	
1) Classified	+403	
2) Wage Board	+204	
B. FY 1989 Direct Pay Raise	(+1,106)	
1) Classified	+753	
2) Wage Board	+353	
C. Stock Fund	(-27,344)	
1) Fuel	+238	
2) Non-Fuel	-27,582	
D. Industrial Fund Rates	(-3,518)	
E. Other Pricing Adjustments	(+13,222)	
1) Reserve Air Forces	+1,864	
2) Reserve Surface Support Forces	+133	
3) Reserve Ship Operations	+365	
4) Reserve Ship Maintenance and Modernization	+3,500	
5) Overhaul/Modernization of Reserve Ship Equipment	+223	
6) Reserve Force Engineering Services Support	+53	
7) Reserve Special Combat Support Forces	+235	
8) Reserve Fleet Operations Support	+31	
9) Reserve Aircraft Rework	+1,017	
10) Reserve Technical Support	+345	
11) Base Operations	+3,395	

12) Maintenance of Real Property	+1,527	
13) Reserve Management Headquarters	+82	
14) Reserve Recruiting Activities	+320	
15) Reserve Advertising Activities	+132	
6. Program Increases		+105,457
A. Annualization of FY 1988 Increases	(+411)	
B. One-Time FY 1989 Costs	(+347)	
C. Other Program Growth in FY 1989	(+104,699)	
1) Reserve Air Forces	+23,130	
2) Reserve Surface Support Forces	+403	
3) Reserve Ship Operations	+10,684	
4) Reserve Ship Maintenance and Modernization	+48,177	
5) Overhaul/Modernization of Reserve Ship Equipment	+3,683	
6) Reserve Force Engineering Services Support	+729	
7) Reserve Special Combat Support Forces	+694	
8) Reserve Aircraft Revork	+6,763	
9) Reserve Technical Support	+3,209	
10) Base Operations	+3,506	
11) Maintenance of Real Property	+2,344	
12) Reserve Recruiting Activities	+736	
13) Reserve Advertising Activities	+641	
7. Program Decreases		-40,226
A. Annualization of FY 1988 Decreases	(-181)	
B. One-Time FY 1989 Costs	(-4,513)	
C. Other Program Decreases in FY 1989	(-35,532)	
1) Reserve Air Forces	-14,112	
2) Reserve Surface Support Forces	-84	
3) Reserve Ship Operations	-829	
4) Reserve Ship Maintenance and Modernization	-5,812	
5) Overhaul/Modernization of Reserve Ship Equipment	-1,605	

-501
-69
-8,991
-655
-2,606
-60
-202
-6

979,200

- 6) Reserve Special Combat Support Forces
- 7) Reserve Fleet Operations Support
- 8) Reserve Aircraft Revork
- 9) Reserve Technical Support
- 10) Base Operations
- 11) Maintenance of Real Property
- 12) Reserve Management Headquarters
- 13) Reserve Recruiting Activities

8. FY 1989 Amended Estimate

Department of the Navy
Operation and Maintenance, Navy Reserve
Estimated Reimbursable Program by Source
(In Thousands of Dollars)

Accounts O&M,N (Intra Fund)	Program	FY 1987	FY 1988	FY 1989
	Work and Services	3,809	2,782	2,189
	Navy Recruiting Command			
	Navy O&M,N - All Other			
	Marine Corps			
Non-Federal Funds	Work and Services	1,626	1,500	1,545
	State - Air National Guard			
	State & Local Government Agencies			
	Other Non-Federal			
Federal Funds	Work and Services	867	801	825
O&MNR		68	60	62
SCN		21	20	21
OPW		316	291	300
NIF		3,801	3,505	3,610
Family Housing		3,191	2,942	2,725
Marine Corps		1,713	1,580	1,127
Army		941	868	894
Air Force		126	0	0
Defense Agencies		1,844	1,701	1,752
Other Federal Funds		18,323	16,050	15,050
TOTALS				

SUMMARY OF SPECIAL INTEREST SUBJECTS
Operation and Maintenance, Navy Reserve
(Dollars in Thousands)

	<u>FY 1987 Actual</u>	<u>FY 1988 Estimate</u>	<u>FY 1989 Estimate</u>
1. Ship Operations Total	62,469	66,614	73,107
2. Ship Inventory Total End Year (Number)	43	48	48
3. Depot Level Maintenance & Modernization - Ships	98,844	105,346	148,721
4. Aircraft Operations Total	302,287	294,223	286,682
5. Average Operating Aircraft Total (Number)	608.5	629.0	642.5
6. Depot Level Maintenance Aircraft/Other	169,122	124,360	121,176
7. Public Affairs Activities Total	5	5	5
8. Headquarters Operation & Administration - Total	6,471	6,296	6,124
9. Real Property Maintenance Total	41,229	50,328	54,325
10. Travel & Transportation of Persons - Total	19,997	17,906	18,234

EXTERNAL PUBLIC AFFAIRS
Operation and Maintenance, Navy Reserve
(Dollars in Thousands)

	<u>FY 1987</u>		
	<u>End</u>	<u>Program</u>	<u>Pay</u>
	<u>Strength</u>	<u>Raise</u>	<u>Limitation</u>
<u>Obligations</u>	-	5	- 5

	<u>FY 1988</u>		
	<u>End</u>	<u>Program</u>	<u>Pay</u>
	<u>Strength</u>	<u>Raise</u>	<u>Limitation</u>
<u>Obligations</u>	-	5	- 5

	<u>FY 1989</u>		
	<u>End</u>	<u>Program</u>	<u>Pay</u>
	<u>Strength</u>	<u>Raise</u>	<u>Limitation</u>
<u>Obligations</u>	-	5	- 5

HEADQUARTERS OPERATION AND ADMINISTRATION
Operation and Maintenance, Navy Reserve
(Dollars in Thousands)

	<u>FY 1987 Actual</u>				<u>FY 1988 Estimate</u>				<u>FY 1989 Estimate</u>			
	Mil	Civ	Total		Mil	Civ	Total		Mil	Civ	Total	
	End	End	Oblig		End	End	Oblig		End	End	Oblig	
	String	String	\$000		String	String	\$000		String	String	\$000	
OPNAV (Direct)	3	9	519	0	4	4	373	0	4	4	283	
CNAVRESPOR (Direct)	19	134	5,942	17	131	131	5,923	17	131	131	5,841	
Total (Direct)	22	143	6,471	17	135	135	6,296	17	135	135	6,124	

Department of the Navy
Operation and Maintenance, Navy Reserve
Maintenance and Repair of Real Property
(Dollars in Millions)

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Estimate
1. FUNDED PROGRAM			
a. Category of Maintenance			
Recurring Maintenance	19,562	20,096	20,965
Major Repair Projects	17,604	25,540	28,227
Minor Construction	4,063	4,692	5,133
Total Maintenance and Repair of Real Property	41,229	50,328	54,325
b. Budget Activity			
3 - Other Support	41,229	50,328	54,325
Total Maintenance and Repair of Real Property	41,229	50,328	54,325
2. BACKLOG OF MAINTENANCE AND REPAIR	81,100	75,500	67,600

SHIP DEPOT LEVEL MAINTENANCE/MODERNIZATION
Operation and Maintenance, Navy Reserve
(Dollars in Thousands)

	<u>FY 1987</u>		
	<u>Contract</u>	<u>In-House</u>	<u>Competition</u>
			<u>Total</u>
O&MNR			
Depot Level Maintenance	60,286	17,908	78,194
Modernization	12,988	7,662	20,650
Total	73,274	25,570	98,844

	<u>FY 1988</u>		
	<u>Contract</u>	<u>In-House</u>	<u>Competition</u>
			<u>Total</u>
O&MNR			
Depot Level Maintenance	56,832	13,160	69,992
Modernization	26,078	9,276	35,354
Total	82,910	22,436	105,346

	<u>FY 1989</u>		
	<u>Contract</u>	<u>In-House</u>	<u>Competition</u>
			<u>Total</u>
O&MNR			
Depot Level Maintenance	91,307	10,798	102,105
Modernization	39,230	7,386	46,616
Total	130,537	18,184	148,721

O&MNR
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Department of the Navy
Operation and Maintenance, Navy Reserve
Depot Maintenance Summary
(Dollars in Millions)

	FY 1987		FY 1988		FY 1989	
	Financed	Unfinanced	Financed	Unfinanced	Financed	Unfinanced
	Units	Cost	Units	Cost	Units	Cost
<u>Ship Maintenance</u>		<u>78.2</u>	0	<u>70.0</u>	<u>102.1</u>	0
Overhaul	5	18.2	-	0	1	2.2
RA/TA		59.9	-	69.7	99.9	-
<u>Aircraft Maintenance</u>		<u>96.4</u>	0	<u>89.1</u>	<u>84.9</u>	0
Airframe Rework	91	62.3	-	118	58.8	-
Engine Rework	262	33.5	-	240	29.2	-
Support Services		0.6	-	1.1	0.8	-
<u>Other Depot Maintenance</u>		<u>13.3</u>	0	<u>14.4</u>	<u>16.6</u>	0
Gun Maintenance		3.8	-	3.5	3.4	-
Sonar/MCM Eqpt Maint		3.9	-	6.4	7.7	-
ASW Systems Maintenance		0.7	-	0.9	1.4	-
Missile Maintenance		3.2	-	2.3	2.5	-
Search Radar Maintenance		0.6	-	0.7	1.1	-
Test Calibration Equip		0.7	-	0.5	0.5	-
Ship Sys Tact Software		0.3	-	0.1	0.1	-

Note: Numbers may not add due to rounding.

Department of the Navy
Operation and Maintenance, Navy Reserve
Depot Maintenance Program
Method of Accomplishment
(Dollars in Millions)

	FY 1987			FY 1988			FY 1989		
	Financed		Contract	Financed		Contract	Financed		Contract
	Organic	Total		Organic	Total		Organic	Total	
<u>Ship Maintenance</u>	60.2	17.9	78.2	56.8	13.2	70.0	91.3	10.8	102.1
Overhauls - Reserve Ships	18.2	0.0	18.2	0.3	0.0	0.3	2.2	0.0	2.2
RA/TA - Reserve Ships	42.0	17.9	59.9	56.5	13.2	69.7	89.1	10.8	99.9
<u>Aircraft Maintenance</u>	14.1	82.3	96.4	21.8	67.3	89.1	12.7	72.2	84.9
Airframe	6.3	56.0	62.3	16.3	42.5	58.8	6.3	47.2	53.5
Engine	7.5	26.0	33.5	5.3	23.9	29.2	6.2	24.4	30.6
Support Services	0.3	0.3	0.6	0.2	0.9	1.1	0.2	0.6	0.8
<u>Other Depot Maintenance</u>	3.6	9.7	13.3	2.8	11.6	14.4	3.8	12.8	16.6
Gun Maintenance	0.8	3.0	3.8	0.8	2.7	3.5	0.0	3.4	3.4
Sonar/MCM Erupt Maintenance	1.0	2.9	3.9	0.8	5.6	6.4	2.4	5.3	7.7
ASV Systems Maintenance	0.0	0.7	0.7	0.0	0.9	0.9	0.0	1.4	1.4
Missile Maintenance	1.7	1.5	3.2	1.0	1.3	2.3	1.1	1.4	2.5
Search Radar Maintenance	0.1	0.5	0.6	0.2	0.5	0.7	0.4	0.7	1.1
Test Calibration Equipment	0.0	0.7	0.7	0.0	0.5	0.5	0.0	0.5	0.5
Ship Sys Tactical Software	0.0	0.3	0.3	0.0	0.1	0.1	0.0	0.1	0.1

Note: Numbers may not add due to rounding.

AIRCRAFT OPERATIONS
Flying Hours Supported From Operation and Maintenance Funds
Operation and Maintenance, Navy Reserve
(Dollars/Hours in Thousands)

	<u>FY 1987 Program</u>		<u>FY 1988 Program</u>		<u>FY 1989 Program</u>	
	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>
Mission Forces	252	302,287	254	294,223	255	286,682

SHIP OPERATIONS
Steaming Hours and Costs
Operation and Maintenance, Navy Reserve
(Dollars in Millions)

	FY 1987 Program		FY 1988 Program		FY 1989 Program	
	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>
Mission Forces	47,307	62.5	47,881	66.6	63,150	73.1

CIVILIAN PERSONNEL BUDGET CALCULATION
Operation and Maintenance, Navy Reserve
(Dollars in Thousands)

Fiscal Year 1987

	End Strength	Work Years	Compensation OC 11	Benefits OC 12	Total Compensation	Average Compensation
Direct Hire Civilians U.S.:						
Classified and Administrative Wage Board	2,231 810	2,241 812	45,849 20,222	6,772 2,788	52,621 23,010	23,481 28,337
Total United States	3,041	3,053	66,071	9,560	75,631	24,773
Direct Hire, Foreign Nationals						
Total Direct Hire	3,041	3,053	66,071	9,560	75,631	24,773
Disadvantage Employment		9	76	10	86	9,556
Indirect Hire, Foreign Nationals						
Benefits for Former Employees(O.C.13)				19	19	
Total Civilian Personnel Costs	3,041	3,062	66,147	9,589	75,736	24,734

Fiscal Year 1988

	End Strength	Work Years	Compensation OC 11	Benefits OC 12	Total Compensation	Average Compensation
Direct Hire Civilians U.S.:						
Classified and Administrative Wage Board	2,287 821	2,254 808	48,000 21,114	8,233 3,161	56,233 24,275	24,948 30,043
Total United States	3,108	3,062	69,114	11,394	80,508	26,293
Direct Hire, Foreign Nationals						
Total Direct Hire	3,108	3,062	69,114	11,394	80,508	26,293
Disadvantage Employment						
Indirect Hire, Foreign Nationals						
Benefits for Former Employees(O.C.13)				11,394	80,508	26,293
Total Civilian Personnel Costs	3,108	3,062	69,114	11,394	80,508	26,293

Fiscal Year 1989

	<u>End</u>	<u>Work</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Total</u>	<u>Average</u>
	<u>Strength</u>	<u>Years</u>	<u>OC 11</u>	<u>OC 12</u>	<u>Compensation</u>	<u>Compensation</u>
Direct Hire Civilians U.S.:						
Classified and Administrative	2,246	2,202	47,226	8,464	55,690	25,291
Wage Board	762	750	20,382	2,936	23,318	31,091
Total United States	3,008	2,952	67,608	11,400	79,008	26,764
Direct Hire, Foreign Nationals						
Total Direct Hire	3,008	2,952	67,608	11,400	79,008	26,764
Disadvantage Employment						
Indirect Hire, Foreign Nationals						
Benefits for Former Employees (U.C.13)	3,008	2,952	67,608	11,400	79,008	26,764
Total Civilian Personnel Costs						

APPROPRIATED FUND SUPPORT OF MORALE, WELFARE AND RECREATION ACTIVITIES
Operation and Maintenance, Navy Reserve
(Dollars in Thousands)

	<u>Fiscal Year 1987</u>			
<u>Categories of MVR</u>	<u>Total</u>	<u>O&MNR</u>	<u>MPN</u>	<u>RPN</u>
CATEGORY A - MISSION SUSTAINING ACTIVITIES	1,833	1,406	284	143
CATEGORY B - BASIC COMMUNITY SUPPORT ACTIVITIES	1,020	710	138	172
CATEGORY C - ENHANCED COMMUNITY SUPPORT	2,258	1,783	178	297
CATEGORY D - BUSINESS ACTIVITIES	59	59	0	0
TOTAL	5,170	3,958	600	612

	<u>Fiscal Year 1988</u>			
<u>Categories of MVR</u>	<u>Total</u>	<u>O&MNR</u>	<u>MPN</u>	<u>RPN</u>
CATEGORY A - MISSION SUSTAINING ACTIVITIES	2,073	1,642	213	218
CATEGORY B - BASIC COMMUNITY SUPPORT ACTIVITIES	1,010	839	71	100
CATEGORY C - ENHANCED COMMUNITY SUPPORT	701	356	64	281
CATEGORY D - BUSINESS ACTIVITIES	0	0	0	0
TOTAL	3,784	2,837	348	599

	<u>Fiscal Year 1989</u>			
<u>Categories of MVR</u>	<u>Total</u>	<u>O&MNR</u>	<u>MPN</u>	<u>RPN</u>
CATEGORY A - MISSION SUSTAINING ACTIVITIES	2,213	1,772	213	228
CATEGORY B - BASIC COMMUNITY SUPPORT ACTIVITIES	1,094	919	71	104
CATEGORY C - ENHANCED COMMUNITY SUPPORT	729	380	64	285
CATEGORY D - BUSINESS ACTIVITIES	0	0	0	0
TOTAL	4,036	3,071	348	617

O&MNR
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AUDIOVISUAL PRODUCTION
(Motion Media with Sound)
Operation and Maintenance, Navy Reserve
(Dollars in Thousands)

	FY 1987		FY 1988		FY 1989	
	<u>In-House</u>	<u>Contract</u>	<u>In-House</u>	<u>Contract</u>	<u>In-House</u>	<u>Contract</u>
AV Production						
Motion Picture &						
Television with Sound	1,484	90	1,457	1,190	1,330	1,408

DAT
FILM